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AND SUPREME COURT AND CONSULAR GAZETTE

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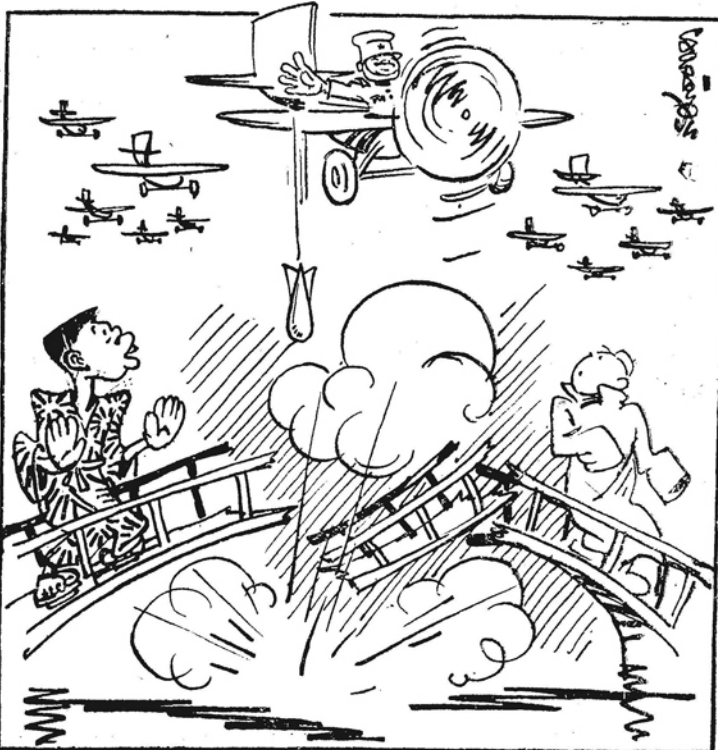
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AN UNCIVIL INTERRUPTION

BY SAPIJOU

NOTES AND COMMENTS

To-day's Meeting

The eyes of China and of the world will be on the meeting of the Council of the League which opens to-day at Geneva. It is difficult for people here, sensible as they acutely are of the tension created by the course of events of the last three weeks, to appreciate the need for the League to proceed with the utmost circumspection in examining the momentous issues presented in the unfortunate dispute between China and Japan. At this moment it would manifestly be unwise to say anything which might prejudice reception here of the reports of the Council's proceedings. This much can be said: it has been clear that the Members of the League are not disposed to shirk the responsibilities thrown upon them. The facile belief that the League lacked resources for tackling the situation must, at least, falter. One thing has emerged very strongly from the present crisis: there is to-day a world opinion capable of being rapidly mobilised. For that development the League can fairly claim credit which, in turn, provides the Council with magnificent moral support.

Hampering Solution

The possibilities of a peaceful settlement of the present unfortunate tension between China and Japan are to-morrow to be examined by the Council of the League of Nations. It is the aim of the Chinese Government to appear before the League as a whole-hearted adherent to the policy of negotiation. The authorities at Nanking have, indeed, expressed their earnest desire for calmness to prevail among the people, generally at this serious juncture. It seems imperative that this praiseworthy attitude should be reinforced by two obvious measures: the dissolution of the anti-Japanese Associations and the strictest possible control of the subordinate branches of the Kuomintang. This journal has already pointed out the futile foolishness of the boycott weapon. It is entirely hostile to any movement designed to prevent aggravation of the situation. A movement to stimulate the

purchase of home-made products is one thing; agitation to focus that movement on a drive against the commercial activities of one particular nation, such as is being carried on by anti-Japanese Associations, is quite another. The latter, in fact, is practically undistinguishable from an act of war. China is basing her case on the claim that Japan has abandoned reasoned discussion for direct military action. The case is completely vitiated if China herself officially fails to repress the boycott, the victimisation of Chinese sellers of Japanese goods and the refusal to supply Japanese nationals with amenities, available by purchase to any other foreign residents. They are all features of the undesirable activities of the local Tangpus and anti-Japanese Associations. They can be suppressed by the Chinese Government and they should be suppressed. Otherwise the power which Nanking professes to exercise will have to all intents and purposes, been abdicated in favour of the Kuomintang.

Promotions

The promotion of Sir Howard Kelly to Admiral and Rear-Admiral C. K. Maclean to Vice-Admiral will be greeted with general satisfaction here. Admiral Kelly is a comparative stranger to China but in the short time that he has been here, whether in Shanghai or Weihaiwei, he has profoundly impressed all who have met him with the strength of his personality and his wide knowledge of men and affairs. Vice-Admiral Maclean is no stranger. Indeed he is on the point of eating his way out of Shanghai, by way of Hankow, if the colloquial expression will be forgiven. As R.A.F. he has achieved in two years a reputation which will not be readily forgotten. His leadership of his command, charged with one of those difficult and arduous jobs which the Navy seems to delight in taking as a matter of course, has been inspiring alike to the officers and men under him and to the various communities—foreign and Chinese—whose lawful occasions on the Yangtze depend on security and freedom from piratical attacks. It

will be with the very greatest regret that China says goodbye to Vice-Admiral Maclean. His promotion tempts that regret with the knowledge that his valuable services have also been appreciated at the Admiralty.

A Postal Rumour

Last week, among the reports current in connection with the Sino-Japanese crisis was an account, on apparently good foundation, of the holding up of mail matter for Japanese residents in Shanghai. The Post Office authorities have been good enough to investigate this report. They find that no such withholding of Japanese mails has taken place, for, indeed, special precaution were instituted to prevent the occurrence of any mishap of that kind in the present situation. There has, of course, been the usual postal censorship of newspaper packets but even that has not been applied with any particular rigour by the local censors. It is as well to make this clear for the original story, based as it now appears on a misapprehension at the Japanese Consulate, gave rise to unfortunate suggestions.

Mr. V. Grosse's Death

General regret will be felt in Shanghai at the death of the former Imperial Russian Consul-General, Mr. V. Grosse. An appreciative sketch of his career and of his work for his distressed community in China appeared yesterday. It is sufficient here to mark with appropriate feelings of admiration the passing of a victim of the upheavals of recent times who managed to make the care of others the instrument of forgetfulness of his own misfortunes. The Russian community has reason to mourn him. Members of other communities, who came in contact with him, will carry fragrant recollections of him. He preserved the dignity of his station and the vivacity of the race to which he belonged. In the face of much sorrow and disappointment he maintained the quality of the happy warrior and the untiring virtue of the friend of humanity.

Mr. Gandhi Fails

Mr. Gandhi's attempt to solve the Hindu-Muslim issue with the help of a committee of Indian delegates presided over by himself has failed. This will be noted in no spirit of derision. Mr. Gandhi has in his

own country made valiant, if often insecurely founded, attempts to create the spirit of unity. His effort, in the calmer atmosphere of London, might have had a chance. The discussions which recently took place between him and Aga Khan showed the persistent hopelessness of any stage-managed device for overcoming what is a fundamental portent in Indian politics. The trouble is that the more advanced become the designs of constitution makers, the more prominent is the anxiety of minority communities which see in the too comprehensive generalisations of eager democrats, the breaking down of safeguards essential to their own existence.

£5 a Mile

The 2nd Battalion of the Scots Guards are to be congratulated on their frugal method of travelling between Aldershot and Windsor. This voluntary abandonment of the train for the route march does credit to the famous regiment, although, may it be observed, many a British regiment, as two now in Shanghai will tell, has been induced to effect the same form of economy on India's sultry plains by the none too gentle blandishments of that Finance Department of the Government of India, which is notoriously proud of the motto "whichever is the least". Scotsmen will perhaps take some pride in this Guards gesture. It is not always safe, however, for them to assume that the Scots Guards are all from the North of the Tweed. There is a cautionary tale told in Shanghai of a prominent member of St. Andrew's Society who, meeting a private of the Scots Guards when a battalion of the regiment was here, and taking him home for mutual admiration and refreshment, learnt otherwise. The information arrived late; in other words after the soldier-guest had asserted his privilege as Scot to the extent of the best part of a bottle of whisky. Obviously it was a crime to waste so much of the right stuff on a Southron.

"Special No. 11"

Mr. Harold Browett, who celebrated his sixty-ninth birthday the other day, has received a special letter of congratulation from Mr. R. G. MacDonald, Assistant Commissioner of Police in charge of the Specials because among the Special Police Mr. Browett is known as "Special No. 11 Browett." Mr. MacDonald's letter runs as follows:

"Many happy returns of the day on your sixty-ninth birthday. I would like to congratulate you also on the example you are showing to many of the much younger members of the Shanghai community by remaining in the Specials, ready to turn out when the necessity calls."

The responsibilities which the Special Police of Shanghai voluntarily bear are onerous and afford opportunity for the display of great civic qualities. It is to be hoped that, sooner or later, the younger men in the community will realise the obligation on them to emulate Mr. Browett's admirable devotion to the Special Police Force officers and men besides hard work. It stimulates the spirit of comradeship and it provides a most valuable means of combining recreation with material public service.

Senator Dwight Morrow

The death of Senator Dwight Morrow is a great loss to the United States of America. A man of great independence of character, understanding and ability, he was marked down for eventual succession to the highest place in American public life. He will be gratefully remembered by Latin America for his successful efforts to expound the aspirations of the South to the North. Perhaps his greatest work was accomplished in Mexico where, as American Ambassador, he secured the confidence of the Mexican Government at a most critical time and has been described as the inspiration of Mexico's recovery from the depths of revolutionary chaos. Not less characteristic of his forcefulness was his campaign for election as Senator. He carried his State on the anti-prohibition programme, without any qualification. Special sympathy will go out to Mrs. Charles Lindbergh, who receives the news of her bereavement so far away from her own country.

CHINESE POLITICS

THE SINO-JAPANESE CRISIS

Chinchow Bombarded by Japanese Aeroplanes: Chinese Government's Assurances

Geneva, Oct. 5.

Dr. Alfred Sze, the Chinese Minister to London and the Chief of the Chinese Delegation to the League of Nations, to-day handed officially to the Council of the League of Nations a note charging the Japanese with an extension of their military activities in Manchuria.

Oct. 6.

Officials of the League of Nations to-day expressed the opinion that as a result of new notes from the Chinese and Japanese Governments the Council of the League of Nations will be convoked again on October 14 to consider the Sino-Japanese crisis in Manchuria.

Information from foreign consuls in Manchuria and other parts of China is also responsible for the decision to convoke the Council in another week. The consular information deals with the Sino-Japanese crisis in a manner supplementing the notes filed by Dr. Alfred Sze, the Chinese Minister to London, and Mr. K. Yoshizawa, the Japanese Ambassador to France. Dr. Sze and Ambassador Yoshizawa head the delegations of their respective countries to Geneva.

Also, it is regarded here as impossible that the Japanese will be able to withdraw their troops from Chinese territory within a week. Japan has indicated that October 14 will still find her troops outside the zone of the South Manchuria Railway.

Officials of the Secretariat of the League of Nations are exerting their utmost to have the October 14 session of the Council attended by the most important statesmen, including M. Aristide Briand, the French Foreign Minister, Dr. Dino Grandi, the Italian Foreign Minister, and Lord Reading, the British Secretary of State for Foreign Affairs.

Japan's notice to the Council of the League of Nations that she is evacuating Japanese civilians from Harbin and other points in northern Manchuria into Kirin is interpreted to mean that it is most unlikely Japan will withdraw her troops from Kirin immediately.

To-day, the United Press learned that to date Dr. Sze has filed 41 official communications with the Council of the League of Nations relative to the Sino-Japanese crisis in Manchuria.—United Press.

Japan's Readiness to Justify Acts

Geneva, Oct. 7.

In a new communication to the Council of the League of Nations to-day Dr. Alfred Sze, the Chinese Minister to London and the Chief of the Chinese delegation to Geneva, placed officially on file a letter from the Chief of the Strategy Division of the Japanese Army at Mukden.

The letter undertakes to justify the action of the Japanese military authorities in seizing the aeroplanes of the Chinese and Mukden armies. It declares that the Chinese military aeroplanes were confiscated under Article 53 of the Hague 1907 War Convention. The action of the Japanese in resorting to use of Article 53 presumes that a state of war already is existing.—United Press.

Outrages by Soldiers

Geneva, Oct. 8.

Sensational charges of outrages perpetrated by disbanded Chinese soldiers in Manchuria were lodged with the Council of the League of Nations to-day by Mr. K. Yoshizawa, the Japanese Ambassador to France and the Chief of the Japanese delegation to Geneva.

In his formal note in behalf of Japan, Ambassador Yoshizawa notified the Council that 700 disbanded Chinese soldiers set fire to Newchwang. The fate of 20 Japanese residents of that city is unknown.

It is also charged that 300 disbanded Chinese soldiers attacked Tunchungkow and that fighting is continuing there. Japanese residents are not considered safe at Tunchungkow.

Ambassador Yoshizawa notified the Council that Japan is withdrawing her troops from quiet localities in Manchuria and sending others to insecure districts.

Japan has notified the Council that although Japan is urging China to take the necessary measures for the protection of Japan-

ese nationals, she herself will not hesitate to take extreme measures and withdraw Japanese nationals to safe places.

Nevertheless, Ambassador Yoshizawa notified the Council, despite Japan's warnings to China acts of violence by disbanded Chinese soldiers and brigands against Japanese and Korean nationals in the interior of Manchuria are becoming increasingly more numerous daily. Ambassador Yoshizawa insisted that the anti-Japanese movement is extending considerably in China proper and that daily the situation grows more serious.

Ambassador Yoshizawa detailed to the Council of the League of Nations the status of Chinese brigandage at Tieling, Haiyuan and Fushan. It is declared by Ambassador Yoshizawa that at Fushan 40 Japanese, including one woman, were robbed and massacred. It is reported that 17 Japanese houses were burned in Fushan.

Chinese authorities are unable to control her disbanded soldiers and the Japanese troops are compelled to safeguard the lives of Koreans. Ambassador Yoshizawa notified the Council.—United Press.

Oct. 10.

It is announced that in view of "grave" information received from China, the Council of the League of Nations is meeting on Tuesday, a day earlier than expected, to discuss the Manchurian situation.—Reuter.

London, Oct. 9.

Reuter is authoritatively informed that it is hoped Lord Reading, British Foreign Secretary, will be able to attend the League Council meeting being called for the purpose of dealing with the Manchurian situation.

Oct. 11.

Accompanied by Lady Reading, Viscount Cecil of Chelwood and three representatives of the Foreign Office, Lord Reading, Secretary of State for Foreign Affairs, left Victoria Station at two o'clock this afternoon for Geneva. They reached Paris at 8.55 p.m. and left for Geneva an hour later.

The British Government to-day transmitted to the Secretariat of the League of Nations the contents of an official report from Peking dated October 9, dealing with the bombardment of Chinchow.

The report stated that the British Consul-General at Tientsin had been informed that the university buildings at Chinchow, which are at present the seat of the Fengtien provincial government, were bombed by 12 Japanese aeroplanes at 1.30 p.m. on October 8. Between 30 and 40 bombs were dropped.

The report quoted a foreign engineer of the Peking-Mukden Railway as stating that the locomotive shed at Chinchow was struck, five men being killed and 15 wounded.

Oct. 9.

The dangers pass at which relations between China and Japan have arrived is fully realised in London. The continuance of naval preparations in Japan and the presence of Japanese warships at Shanghai and on the Yangtze have created here a feeling of intense nervousness as to what may happen. The latest despatches in no way diminish the anxiety felt, for they show that the tension in the Far East is increasing.

A strong impression obtains here that the Chinese Government is quite willing to abide by the decisions of the League of Nations in settling the big problems at issue.

On the other hand, well-informed Japanese circles here affirm that, so far from the Japanese extending the area they have occupied in Manchuria, they are endeavouring to withdraw their troops within the South Manchuria Railway zone. It is pointed out that public opinion in Japan has been on edge for many months owing to China's attitude and that intervention by the League would suggest that the Japanese point of view is not a credible one.

Senor Leroux, the Acting President of the Council of the League, has sent telegrams to-day to all its members summoning them to meet at noon on Tuesday at the request of China's representative, Dr. Alfred Sze, owing to "the serious information which has been received."

The Acting President suggests that, considering the early date of the meeting, any information regarding the development of the situation in the Far East obtained by members of the Council should be forwarded as soon as possible to the Secretary-General, Sir Eric Drummond, for transmission to the Council.

Sir Eric Drummond has telegraphed to the Chinese Government and to the Japanese Government as follows:—

"The President of the Council of the League of Nations requests me to forward to your Government the following communication:

"Information received here tends to show that incidents are taking place in Manchuria and elsewhere which cannot but embitter feeling and thus render a settlement of the trouble more difficult. In these circumstances and pending the meeting of the Council, I feel it my duty as President of the Council to remind the two parties of the engagements taken before the Council to refrain from any action which would aggravate the situation and to express confident hope that steps are being taken by both sides to execute fully the assurance given to the Council and embodied in its resolution of September 30."

"The text of the foregoing telegram has been communicated to the other members of the Council and to the Government of the United States.

DRUMMOND,
Secretary General."

Official American Investigation

Geneva, Oct. 7.

The Chinese delegation continues to deluge the Secretariat of the League of Nations with copies of telegrams received from Nanking up to October 4, announcing small movements of Japanese troops in Manchuria, the dropping of bombs on Tungliao by Japanese aeroplanes, and the appointment of Chinese high military officers to be replaced by Japanese troops and to be responsible for the restoration of order.

In the light of these telegrams the situation in Manchuria seems unchanged.

Reports from Washington state that, in conformity with the Chinese Government's request, the United States Government has appointed representatives to visit the scene of the Sino-Japanese dispute in Manchuria to report on the situation.—Reuter.

Washington, Oct. 7.

It was revealed at the United States Department of State to-day that Colonel Henry L. Stimson, the Secretary of State, has assigned Mr. George Hanson, the American Consul-General in Harbin, and Mr. Lawrence Salisbury, an attaché of the United States Embassy in Tokyo, to tour Manchuria and report confidentially on conditions in the area of the Sino-Japanese crisis.

The American Consular and Diplomatic Agents will devote special attention to the progress Japanese troops are making in evacuating places in Manchuria outside of the zone of the South Manchuria Railway.

Mr. William L. Castle, Jr., the Under Secretary of State, in revealing the tour of Messrs. Hanson and Salisbury explained that Secretary Stimson lacked information as to what was and is happening in Manchuria. Therefore, on September 28 he asked Chinese and Japanese diplomats to facilitate an investigation by Messrs. Hanson and Salisbury. The Government of both Japan and China agreed.

Immediately after the consent of the nations concerned was secured Messrs. Hanson and Salisbury were ordered to their investigation. The representatives of the American Government have now been in Manchuria for two days.

Mr. Castle explained that the investigations now being made are intended only to guide the American Government in its efforts to formulate a policy with regard to the Sino-Japanese crisis in Manchuria. The investigators, it is emphasized, will not undertake to pass public judgment on the merits of the cases of either China or Japan. They will not decide which side is right in Manchuria and they will not attempt to conciliate any dispute between the Chinese and the Japanese.

Mr. Castle said he has been informed already that the Nanking Government in reply to the American proposal that Messrs. Hanson and Salisbury make an investigation in Manchuria did not request any investigation to be considered as intervention or conciliation. Mr. Castle declined to reveal the details of the latest correspondence between the American, Japanese

and Chinese Governments.—United Press.

Tokyo, Oct. 9.

It was stated in behalf of the Imperial Japanese Government here to-day that Japan has no objection to the investigation being conducted in Manchuria by Colonel Henry L. Stimson, the American Secretary of State, by Mr. George Hanson, the American Consul General at Harbin, and Mr. Lawrence Salisbury, an attaché of the American Embassy in Tokyo. Japanese civil, military and diplomatic authorities in Manchuria have been instructed to place all possible facilities at the disposal of the American investigators, who are simply gathering confidential information for the guidance of Secretary Stimson in formulating American policies.

Washington, Oct. 9.

At a meeting of the Cabinet to-day, President Hoover discussed the recent important developments in the Far East in connection with Manchuria. No statement of what occurred at the meeting has been issued, but the indications are that the United States Government will seek to mobilise world opinion against any further hostilities between China and Japan.

The Secretary of State, Colonel Stimson, is giving the Far Eastern problem his whole attention, and, in the State Department, it is expected that some action will shortly be taken. While no definite information is available, it is explained that the Administration is not likely to make an active move against Japan as such a procedure would involve sending a sharp note to the Japanese Government.

Oct. 10.

Reuter learns to-day that the United States Government expects to take action in connection with the situation in Manchuria as soon as it is definitely convinced that the pledges given by the Chinese and Japanese delegates to the League of Nations, on behalf of their respective Governments, are not being fulfilled.

The main pledge was that both China and Japan would take all the necessary steps to prevent any aggravation of the situation.

In addition Japan undertook to continue as rapidly as possible the withdrawal of her troops to the Railway Zone in proportion as the safety of Japanese lives and property was effectively assured; while China undertook to assume responsibility for the safety of Japanese lives and property outside the Railway Zone during the process of withdrawal of Japanese troops and the re-establishment of Chinese local authorities and police forces.—Reuter.

Oct. 10.

Mr. Yung Kwai, the Chinese Charge d'Affaires in Washington, to-day presented to the Department of State a formal note from the Chinese National Government at Nanking requesting that the United States designate diplomatic officials to be attached to Chinese Headquarters in Manchuria.

The diplomatic officials of the United States, under the plan of the Chinese Government, would act as advisers to Chinese officials when the Chinese take over Chinese territory from which Japanese troops will have been withdrawn into the zone of the South Manchuria Railway.—United Press.

U.S. Message to Geneva

Oct. 11.

It is now learned that the Secretary of State, Colonel Henry L. Stimson, on the 9th cabled to Sir Eric Drummond, Secretary-General of the League of Nations, urging that the League "exert all the pressure and authority within its competence" towards a settlement of the serious situation which has arisen in Manchuria. While assuring the League of its co-operations Colonel Stimson adds that the United States Government reserves the right to take independent action in support of the League or to invoke the Kellogg Pact.

The text of the Note says:—

"The Council of the League of Nations has formulated its conclusions and outlined the course of action to be followed by the parties to the dispute and already it is understood the parties to the dispute have entered into certain commitments as far as the Council is concerned. It is very desirable that the Council should in no way relax its vigilance and in no way fail to assert all the pressure of the authority within its competence towards regulating the action of China and Japan. The American Government, acting independently through its diplomatic representatives, will endeavour to

reinforce what the League does and to make clear it has a keen interest in the matter and is not oblivious of the obligations the parties to the dispute have assumed to their fellow-signatories to the Pact of Paris as well as to the Nine Power Pact should a time arise when it would seem advisable to bring forward those obligations. By this course we avoid the danger of embarrassing the League in the course to which it is now committed."

Although President Hoover and Colonel Stimson to-day made a careful study of the reports received from the United States observers in Manchuria—Mr. George Hanson, American Consul-General in Harbin, and Mr. Lawrence Salisbury, attaché to the American Embassy in Tokyo—there is a disposition to await the outcome of the coming meeting of the Council of the League before taking any further steps.—Reuter.

Tokyo, Oct. 12.

To-day, Mr. Edwin L. Neville, the Counsellor of the United States Embassy in Tokyo, informed the Japanese Foreign Office that the American Government has decided to decline the request of the Chinese Government that two American diplomatic officials be assigned to Chinese headquarters in Manchuria to act as advisors in connection with the withdrawal of Japanese troops from Chinese soil.

Acting under instructions from Washington, Mr. Neville informed Baron Shidehara that already there are three representatives of the American Government in Manchuria. He said the State Department feels that the assignment of further American officials is unnecessary. In connection with the Sino-Japanese crisis in Manchuria the United States already is represented by Mr. George Hanson, the American Consul General at Harbin, Mr. Lawrence Salisbury, the Second Secretary of the American Embassy in Tokyo, and American military attaches in Peking and Tokyo.

Mr. Neville informed Baron Shidehara that the United States will support the actions of the League of Nations with regard to the Sino-Japanese dispute. He expressed hope that a speedy settlement of the crisis will be reached.

Japanese despatches from Mukden report that under instructions from General Chang Hsueh-liang General Wang I-cheng and other military commanders attached to the Provisional Manchurian Government at Chinchow are concentrating troops under the supreme command of General Yu Hsueh-chung at Shanhaiwan. The Japanese say that General Chang Hsueh-liang has asked General Han Fu-chu, the Chairman of the Shantung Provincial Government, to send troops to Shanhaiwan.

Other Japanese despatches from Mukden declare that General Wan Fu-lin, the Chairman of the Heilungkiang Provincial Government, resigned on October 10.—United Press.

Crucial Problem Before League

Geneva, Oct. 10.

It is generally felt here that the attitude of the United States Government in regard to the Sino-Japanese imbroglio is undoubtedly strengthening the hands of the Council of the League of Nations in its effort to reach a pacific settlement.

The Council, it is said, has been put upon its mettle this time. Indeed it is faced with a crucial problem and all friends of the League are ardently hoping that it will emerge from the ordeal with flying colours.

Already the fact that the British Foreign Secretary, Lord Reading, is attending, besides Signor Grandi, the Italian Foreign Minister, M. Briand, the French Foreign Minister, and M. Zaleski, the Polish Foreign Minister, has produced a most favourable impression and is tending to increase the authority of the Council, which was unfortunately lacking during the last session.

At the request of the Chinese Government, copies of the Government's telegram to the League of Nations giving the text of two Chinese Notes requesting the evacuation of Chinese territory by the Japanese, have been circulated to all members of the Council of the League.

The second Note concludes by stating that a copy of the Note has been sent to the Council of the League and the State Department at Washington and that daily reports of the situation will be telegraphed to Geneva and Washington.—Reuter.

China's Note to Japan

Oct. 10.

As Japan to-day warned China of grave consequences likely to result

from the anti-Japanese movement in China the League of Nations was notified that China has delivered to Japan what is regarded as a virtual ultimatum in the form of a note demanding the immediate evacuation of Japanese troops from Chinese soil in Manchuria.

Sir Eric Drummond, the Secretary-General of the League of Nations, notified the Council of the League that Mr. Chiang Tso-ping, the Chinese Minister to Japan, has notified the Japanese Government in Tokyo that steps must be taken on Monday for the immediate evacuation of Japanese troops from Manchuria and the restitution of Chinese authority in Manchuria.

Meanwhile, Japan has addressed a note to the council declaring that the anti-Japanese movement throughout China is now so grave that it is evident China with determination is attempting to sever economic relations between China and Japan.

On the other hand Dr. Sze has notified the Council that Japan has established a Mongol Army with 3,000 rifles and 1,000,000 rounds of ammunition, four trench mortars, four mountain guns and two aeroplanes. All of the equipment given by Japan to the Mongol Army has been taken from the seized Chinese arsenal in Mukden, according to Dr. Sze.

Dr. Sze declares that Japan is preparing to direct the Mongol Army in an attack on Cheng-chiang-shan shortly.—United Press.

China's Request to League

Oct. 11.

The Chinese Government has sent a new appeal to the League of Nations detailing the attack by Japanese aeroplanes on Chinchow on October 8 and asking the League to take urgent measures to safeguard peace.

The Chinese Government also invites a commission of enquiry from the League to go to Chinchow and meanwhile asks members of the Council to secure information themselves from persons on the spot.—Reuter.

Japanese Reply to Note

Geneva, Oct. 11.

At the request of the Japanese Government the Secretary-General of the League of Nations, Sir Eric Drummond, has published the Japanese reply of the 9th to the Chinese Note of the 5th October.

The Japanese Note says that the withdrawal of Japanese troops in Manchuria into the railway zone is conditional on the security of the railway and of the Japanese residents in Manchuria. It states that the urgent task of the moment is for both Governments to co-operate in calming national feeling in both countries, after which the Japanese troops could return to the railway zone and Japan would be ready to enter into negotiations with China immediately. It states that the object of the operation undertaken by Japanese forces along the South Manchuria railway was to remove, by preventive action, the menace which might arise from the overwhelmingly superior Chinese army.

The head of the Chinese delegation to the League of Nations, Dr. Alfred Sze, to-day communicated to the Secretary-General, Sir Eric Drummond, a statement he had received from Nanking dated October 9, relating to the bombing of Chinchow by the Japanese forces with "considerable damage." In this statement the Chinese Government begs the Council of the League of Nations to take urgent measures to safeguard the peace. It invites the League to send a commission of enquiry to Chinchow to draw up a report on the incident.—Reuter.

Request for Commission

Geneva, Oct. 11.

As the date for the next sitting of the Council of the League of Nations approached to-day China lodged a formal demand with the Secretariat of the international peace organization that the Council send an international commission of investigation to Manchuria.

The German Foreign Office communicated to the Council the observations of the German Consul-General at Mukden. The communication describes Japanese military operations in Manchuria and declares that there has been no change in the Japanese military occupation of Chinese territory.

There was considerable interest when the German Foreign Office communicated to the council a telegram from the German Consul-General at Mukden which said:—

"The number of Japanese troops in Manchuria is unchanged. Occasionally they are concentrated in camps and replaced by gendarmes but the

Japanese strength in Chinese territory is undiminished. Daily expeditions are sent into Chinese territory for the purpose of fighting disbanded Chinese soldiers or brigades. Japanese military aeroplanes make frequent reconnoitering expeditions. They drop bombs but according to the Japanese, when they are attacked by Chinese."—United Press.

Demand for Withdrawal

Tokyo, Oct. 11.

It is learned that the Japanese Government has received a memorandum from Nanking demanding the withdrawal of Japanese troops now outside the South Manchuria Railway zone within a week. In connection with this, it is understood that negotiations have been proceeding for the past few days between the Chinese Minister in Tokyo and Baron Shidehara for the purpose of arranging for General Chang Tso-hsiang to take over the maintenance of peace and order in Manchuria after the withdrawal of the Japanese forces, but apparently the negotiations took longer than was expected; consequently Nanking sent the memorandum for the purpose of expediting the arrangements.

In the meantime, unless the negotiations between the Chinese Minister and Baron Shidehara achieve some success a vicious circle appears likely to continue for some time yet as the Chinese contend that they are unable to take the responsibility of maintenance of peace and order in Manchuria until the Japanese withdraw and the Japanese assert it is impossible to withdraw to the railway zone until the Chinese produce practical proof of ability to ensure protection of Japanese lives and property.—Reuter.

Oct. 12.

The Japanese Foreign Office to-day declined to accept China's second formal Note demanding the immediate withdrawal of Japanese troops from Chinese territory into the South Manchuria Railway zone.

In refusing to receive the communication, Baron K. Shidehara, the Japanese Foreign Minister, informed Mr. Chiang Tso-ping the Chinese Minister to Japan, that Japan already has communicated to Nanking and Geneva all she has to say on the presence of Japanese troops in Manchuria.—United Press.

China's League Appeal Worries Japan

Oct. 12.

The feeling in high official circles here as sensed by Reuter's correspondent is that the Japanese Government is worried by China's attempt to force the League of Nations to intervene in the Manchurian dispute. It is believed the Government is prepared to open direct negotiations with any responsible Chinese representative but is strongly opposed to any suggestion of outside intervention.

Apart from the fear that the intervention of a third party would weaken its own efforts to prevent further aggravation of the situation, the Government feels that whereas Japan had never intended to ask for new concessions or privileges but merely to demand that her rights and privileges under existing treaties and agreements be respected China, it is thought, will always maintain that Japan was compelled by outside pressure to refrain from demanding harsh terms should a settlement be achieved by the aid of a third party. In other words, Japan is ready to give easy terms, it is reported, but does not want to appear as though a conciliatory attitude is forced on her by outside pressure.

The Japanese reply to Geneva, which was to have been despatched last night, was delayed until this afternoon. It is understood it reiterates first that the Japanese Government has done its best to prevent any aggravation of the situation in Manchuria, and, secondly, it will insist on direct negotiations between Japan and China without the intervention of a third party.

Thirdly, it will state that no new developments in Manchuria are anticipated beyond the possible isolated instances of troops being despatched outside the railway zone to protect Koreans and punish bandits.

Fourthly, it will hold China responsible for deliberate aggravation of the situation in the Yangtze Valley and state that the despatch of Japanese warships to Yangtze ports has been purely for the purpose of protecting Japanese lives and property.

Fifthly, it will stress the difficulty of arranging for the immediate withdrawal of Japanese troops to points within the South Manchuria Railway zone owing to the necessity of first ensuring that China is able

to guarantee the maintenance of peace and order.

Lastly it expresses earnest belief that permanent Sino-Japanese co-operation would be mutually beneficial and therefore it is essential to restore normal relations on a basis of fundamental principles.

A message from Mukden late this evening states that Japanese troops are now fighting a thousand bandits near Hsinglung. The bandits are composed of mounted Mongols and remnants of defeated regulars.

General Chiang Hai-peng, who recently declared his independence at Tsuanan, has started moving troops to Tsitsihar, a hundred trucks being massed at Tsuanan for loading arms and ammunition.

The War Minister, General Minami, had an audience with the Emperor this afternoon and reported on recent developments in Manchuria.—Reuter.

Reservists and Manchuria

Tokyo, Oct. 12.

The Japanese Reservists Society, representing three million men, has handed to the War Minister a beligerent resolution just passed by the Society.

The resolution is to the effect that the Japanese naval and military reservists believe that third party intervention in the Sino-Japanese dispute should be absolutely precluded. The Society places on record its agreement untidely to support a policy of maintaining the military status quo in Manchuria as being essential to the re-establishment of peace and order in that country and in the Far East generally on a permanent basis.

The resolution was handed to General Minami, Minister for War, by General Soroku Suzuki, President of the Reservist Society. He also handed a copy to the Chief of the General Staff.—Reuter.

If the League Fails China

Nanking, Oct. 12.

At the weekly meeting this morning at the National Government office, President Chiang Kai-shek spoke in strong terms about the present Sino-Japanese situation. He stated that at to-morrow's meeting of the council of the League of Nations in Geneva he hopes the League will

- 1) Take steps for a just settlement of the Sino-Japanese problem.
- 2) Take steps to prevent an almost inevitable war.

The National Government, he said, trusts the League of Nations will also take proper measures to bring home to Japan her errors in refusing to abide by the decisions of the League and in occupying Chinese territory without any justifiable grounds.

General Chiang declared that the National Government had appealed to the League of Nations because, being a member of the League, China was under an obligation to comply with the provisions of the League Covenant. China took this step because it was China's duty as a member of the League to do so—China did not go to the League for protection, as alleged by Japan, President Chiang Kai-shek continued.

"I hereby declare that the National Government's patience has been tested to the last degree. If the League fails her China will take the matter into her own hands. China respects the League Covenant and the Anti-war (Kellogg) Pact but if the League and the signatory powers to the Kellogg Pact fail to uphold their sacred duties China will not hesitate to make the supreme sacrifice of bankrupting the country for half a century to go to war for the upholding of the dignity and the sacred rights of international agreements and to safeguard world peace."

General Chiang Kai-shek then referred to yesterday's incident in Shanghai when Japanese nationals stormed shops on North Szechuen Road. General Chiang stated that it was a deliberate and provocative act but the Chinese in Shanghai, as in other parts of the country, displayed remarkable strength of control and restraint, but that patience must come to an end if similar incident recur.—Reuter.

Newchwang Occupied

Peking, Oct. 6.

The establishment of the provincial seat of the Liaoning Provincial Government at Chinchow, southern Liaoning, is arousing the increased ire of the Japanese. Four aeroplanes sent to Chinchow on the 4th bombarded the city, resulting in considerable damage to property.

Japanese troops are reported to be moving from Kowpangze, 37 miles east of Chinchow, towards the

latter city. Latest reports confirm that Newchwang was taken by the Japanese on the morning of the 4th. All was chaos in the port.

The situation in Shenyang (Mukden) is not improving as the Japanese troops keep piling up sandbags on the streets.—Kuo Min.

Chinchow Bombarded

Peking, Oct. 8.

The most startling development since the Japanese occupation of Mukden on September 19 occurred this afternoon, when Japanese aeroplanes bombed Chinchow, the temporary seat of the Manchurian Government. News of the bombardment was received by Marshal Chang Hsueh-liang from Mr. J. G. Thomson, the British manager of the Peking-Mukden Railway, who states that the attack was carried out by a squadron of twelve aeroplanes.

The bombardment, Mr. Thomson declares, lasted for 1 1/2 hours, beginning at one o'clock this afternoon, and altogether the Japanese planes dropped 36 bombs. These, Mr. Thomson states in his message, were chiefly directed at Chinchow University, which is being used by the Manchurian Government as its offices.

At the time he sent his wire, Mr. Thomson continues, the number of casualties had not been ascertained, but a bomb which landed on a service car killed two Chinese cleaners. The locomotive shed was also bombed.

Telegraphic communication between Shanhaikuan and Chinchow has now been interrupted.

That the bombardment was carried out according to plan is evident from a special despatch to the "Nichi Nichi" from Mukden, says Reuter from Tokyo. The despatch in question declares that the Japanese Army in Manchuria carried out the attack on the ground that the establishment of Marshal Chang Hsueh-liang's Government at Chinchow was "detrimental to peace and order."

Close observers in Tokyo anticipate the resignation of the Cabinet, as the attack on Chinchow means that "the Army has gone behind the Government's back and seriously compromised its position."

According to reports received in Tientsin, says Reuter's correspondent there, a German professor was among those killed during the bombardment of Chinchow.

The reports received in Tientsin further stated that the railway station was damaged by bombs and machine-gun fire. Though the total number of casualties could not be ascertained, it was believed that seven Chinese were killed and ten wounded. The bombardment threw the inhabitants of Chinchow into panic.—Reuter.

Chinchow, Oct. 9.

According to Reuter's special correspondent at Chinchow, 16 persons, mostly railway workmen, were killed as a result of the aerial bombardment of this city by Japanese planes, while nine persons were wounded, the latter including a Russian teacher at the University. No Government officials were hurt, though the 30 bombs dropped were obviously aimed at the Government offices, which are located in the University maintained here by the Ministry of Communications.

General Mi Chung-lin, head of the Liaoning Provincial Government, interviewed this morning by Reuter's special correspondent, stated that China had always followed faithfully the dictates of the League of Nations, whereas Japan, as was evident from the latest outrage committed, namely, the bombing of Chinchow, had always broken at will all international obligations.

The Liaoning (Fengtien) Government continues to function here. It is now awaiting instructions from the Central Government.

Reuter's special correspondent to-day, toured the city and personally saw three holes made by bombs in the railway station, four in the thickly populated district outside the East Gate, and ten at the Communications University.

When the telegram was being sent a report was current that thirty Japanese aeroplanes were approaching the city.—Reuter.

Tokyo, Oct. 9.

In a despatch to the Foreign Office the Japanese Consul-General at Mukden confirms press despatches that Japanese planes yesterday bombed Chinese military establishments at Chinchow after the Chinese had fired on the machines, which were engaged in reconnaissance work.

The despatch explains that a squadron of aircraft had been sent to Chinchow for the purpose of reconnoitring, as large bodies of

Chinese troops were reported to be concentrating in the vicinity of that city preparatory to launching an attack on the South Manchuria Railway zone. These reports, the despatch states, coincided with the appearance of plain-clothes soldiers and spies sent by Marshal Chang Hsueh-liang as secret emissaries for the purpose of disturbing the peace and order of the railway zone. These emissaries, it was stated were assembling scattered remnants of Chinese troops on both sides of the zone preparatory to attacking points where the Japanese guards were weakest.

The War Office to-day, in a statement concerning the bombing of Chinchow, denies the report that the Japanese planes scattered pamphlets denouncing Marshal Chang Hsueh-liang.

While the explanation of the bombardment of Chinchow is held to be understandable from the point of view of military necessity, it is generally considered amongst foreign observers here that the Government has been placed in an embarrassing position. Official circles, however, though plainly worried as to the probable reaction abroad, attempt to conceal their concern and profess to feel satisfied with the explanation that the action was unavoidable.

The Government, faced with serious financial and administrative difficulties at home and grave diplomatic problems abroad, is coming under fire from the leading Japanese papers, which are strongly criticising its alleged weakness and lack of unity and its "makeshift" measures in dealing with the serious issues confronting the country.

The "Nichi Nichi" urged the Government to take decisive steps to remedy the situation both at home and abroad, while the "Asahi" imputes to the Prime Minister, Baron Wakatsuki, for "adding to the present difficulties by his indecision and wavering attitude."

Oct. 9.

While deploring the necessity of bombing Chinchow, the Japanese Government is reported to have decided to recognise that the military authorities were forced by circumstances to act thus.

In the meantime, the Government has cabled the explanation contained in the despatch of the Japanese Consul-General in Mukden, to Mr. K. Yoshizawa, the Japanese delegate in Geneva,—that Japanese aeroplanes flying over Chinchow, were fired upon by Chinese troops.—Reuter.

No Alternative But to Respond

Tokyo, Oct. 10.

The Foreign Office has explained to the diplomatic representatives of the Powers that the action taken by the Japanese planes at Chinchow on Thursday was in self-defence.

The planes, it is stated, were making a reconnaissance flight when they were so "vehemently" attacked that they had no alternative but to respond. They acted in self-defence in accordance with international practice, which justifies self-protection when a party is attacked without provocation from quarters temporarily thrown into a defensive position by means of a certain force of troops, though without permanent defence works, as was the case at Chinchow.

The War Office has issued another statement again denying the allegation that the Japanese aeroplanes dropped handbills while they were operating against Chinchow.

The Koseikai faction of the Upper House held a conference this morning at which it was agreed to uphold the Government's stand regarding the Chinchow incident since the action of the Japanese aeroplanes was no less a self-defensive action than the initial move to occupy Mukden.

The bodies of several Japanese troops killed in Manchuria are expected to reach Tokyo to-morrow, and the War Minister and the Chief of the General Staff are expected to be present to pay a last tribute to these men who fell in the fighting in Manchuria.—Reuter.

League Circles Alarmed

Geneva, Oct. 8.

League of Nations circles to-night became profoundly alarmed over the action of Japanese military aeroplanes in bombing Chinchow, Manchuria, as Japan filed officially with the Council of the League details of the events which have made it necessary to evacuate Japanese civilian residents from Manchuria and other sections of China.

The latest developments in the relations between China and Japan are regarded as having created a situation which must be recognized as the most serious the League of Nations has yet faced. It is ad-

mitted officially to the United Press that the news the League of Nations has been receiving from Manchuria during the last few days has been becoming increasingly worse.

Officials of the League of Nations have a marked impression that the Japanese Government is losing control of the Japanese military element generally and of the Japanese Army in Manchuria especially. It is also contended here that Chinese demonstrations of anti-Japanese sentiment are becoming more intensified with each passing day with an almost absolute certainty of eventual clashes.

In the meantime the Secretariat of the League of Nations is communicating with the Governments represented on the Council urging them to send their most authoritative statesmen to the October 14 meeting of the Council. The Secretariat is also counting on the continued support of the United States, which so far has approved of the Council's efforts to settle the Sino-Japanese dispute. — United Press.

Tokyo, Oct. 9.

Many statements are being issued regarding the bombing of Chinchow. At five o'clock yesterday afternoon the Kwantung Garrison Headquarters in Mukden issued the following statement:

"Marshal Chang Hsueh-liang has moved his 'plain clothes' soldiers within the zone of the Japanese Garrison and has attempted to foment disorder. He ordered hostile action against Japan and with other Manchurian leaders plotted to launch an attack on Japanese troops from two sides. For this reason Chinchow was bombed."

With regard to the bombing of Chinchow yesterday the Japanese Government in Tokyo, after an important conference with military authorities this morning, issued the following statement:

"The Japanese Government understands that the bombing of Chinchow yesterday was no more than a local measure taken by the Japanese Army in Manchuria for the purpose of maintaining order. The incident is not regarded as serious. The Provisional Government of Liaoning at Chinchow gave notice of its establishment to all foreign Consuls but those of Japan and this is construed by Japan as indicating intentions opposed to Japan." — United Press.

Marines Sent to Shanghai

Tokyo, Oct. 9.

As Japan moved to-day to present a sharp warning and protest to the Chinese National Government at Nanking, H.L.M.S. Tokiwa, a cruiser, sailed from the Sasebo Naval Base for Shanghai. She is carrying a detachment of 400 marines to reinforce the approximately 600 Japanese marines now in the Shanghai area. The Tokiwa is under the command of Lieutenant Commander Mori.

Meanwhile, tension in Sino-Japanese relations is increasing as a result of the action of 12 Japanese military aeroplanes in bombing Chinchow, Manchuria, yesterday. Not only did Japanese aeroplanes drop bombs on Chinchow but circulars were scattered bearing the following advice:

"Although public opinion in all four of the North-eastern Provinces no longer supports Marshal Chang Hsueh-liang, he has undertaken to establish a Provisional Government at Chinchow. Japan does not recognize the authority of Marshal Chang Hsueh-liang. The Japanese Government proposes to destroy General Chang Hsueh-liang's base." — United Press.

Peking, Oct. 10.

Marshal Chang Hsueh-liang's headquarters have received confirmation of a report that yesterday morning a Japanese armoured train reached Tungliao and twelve Japanese in civilian dress and 40 soldiers got out and laid mines on the railway track, destroying the line in 26 places. The railway warehouses were also damaged. The line was cut at the junction. — Reuter.

Friction in Japanese Government

Tokyo, Oct. 11.

The two main features of the past 24 hours are the increasing evidence of the Army's refusal to see Marshal Chang Hsueh-liang restored as ruler in Manchuria and the Government's attitude towards the Chinchow bombing.

Despite accusations to the contrary and despite friction between the War Office and the Foreign Office, both the Government and the Army appear sincerely desirous of seeing a Chinese administration in Manchuria restored but want to assure themselves that whoever controls the country will be able to guarantee the maintenance of peace and order and the safety of Japanese lives and property; also

to be assured that whoever rules will live up to agreements.

But whereas the Foreign Office might be prepared to see Marshal Chang Hsueh-liang return to Mukden the military authorities have made it quite clear that they will never trust him again and consequently will never agree to his reinstatement in Manchuria.

One reason why Japan is averse to intervention, it is learned, is that it is felt here the League of Nations is insufficiently versed in the historical background of the Manchurian question and consequently fails to appreciate what are claimed here to be the justice and fairness of the Japanese demands with which Marshal Chang Hsueh-liang has previously failed to comply and which Japan insists must be conceded by whoever controls Manchuria before a final settlement can be reached.

It is stated that it is because the Army authorities believe Marshal Chang would revert to a policy of procrastination if he returned to power that they are so opposed to his return to Mukden as the ruler of Manchuria.

Among the Japanese demands are permission to complete the railway between Tunhuwa and Kaimel, on the Korean border, to which Japan claims she is entitled under agreement. The strategic and commercial value of this railway is immense and it is claimed that the Army is thinking more of its strategic value against a possible future Soviet menace than against China.

While the Government and the Army are agreed on the justice of the Japanese demands regarding Manchuria they apparently disagree regarding methods of enforcing a settlement. Undoubtedly the Government is much upset by the way the Chinchow bombing has nullified the salutary effect which it was hoped the protest to Nanking regarding anti-Japanese movements would have had. On the surface, the Government appears to have accepted the military contention that the bombing was necessary in self-defence owing to the Chinese firing on the Japanese aeroplanes, consequently there is no question of acting contrary to the Government's declared policy.

On the other hand, some close observers consider that Baron Shidehara intends to resign his post as Foreign Minister but has postponed his resignation until a suitable time for fear his action may be misinterpreted abroad and thereby prejudice Japan's case when a final settlement is discussed. — Reuter.

Chinese Officer Arrested

Mukden, Oct. 11.

An official Japanese communication states that a Chinese battalion commander was arrested here yesterday on a charge of having been in secret communication with plain clothes agents sent to Mukden by Marshal Chang Hsueh-liang. The officer in question, says the communication, has admitted the charge.

A Chinese field artillery regiment has been transferred from Tientsin to Chinchow and two infantry regiments from Peking to Tungchow.

According to information received here from Japanese sources, Marshal Chang Hsueh-liang has issued a statement saying that he will take charge of military affairs in the Peking and Tientsin area while General Yen Hsi-shan, formerly Governor of Shansi, assumes charge of civil affairs.

Reports received here to-day from Heilungkiang state that several thousands of men belonging to the Soviet militia have been concentrated at Blagoveschensk and Vladivostok and that a factory area within a munition plant.

Marshal Chang Hsueh-liang has sent a telegram to General Chiang Kai-shek urging a speedy settlement with the Canton faction for the purpose of unifying the country. He also suggested the continuation of the "non-resistance policy" until October 13 and, after that date, a declaration of war against Japanese troops.

Marshal Chang Hsueh-liang's headquarters here state that Major Lovat Fraser has wired from Chinchow stating that 19 Chinese were killed and 19 wounded in the Japanese air raid on that city on October 8. The material damage, the statement adds, was not serious. — Reuter.

Japan Taking Precautions

Tokyo, Oct. 6.

Japan has protested to Nanking concerning the anti-Japanese movement in China and is arranging to send a landing force of blue-jackets to Shanghai for protective purposes.

It is understood that in the protest being despatched to China,

Japan refrains from accusing Nanking of actually inciting the anti-Japanese movement but takes the National Government severely to task for negligence in failing to take steps to check the anti-Japanese boycott and other manifestations which are seriously endangering Japanese lives and property.

In effect, the protest accuses Nanking of sins of omission rather than sins of commission but it intimates that Japan regards such sins as being equally serious.

Following this news came an announcement that preparations are being made to despatch the converted cruiser Tokiwa to Shanghai with landing parties of blue-jackets on board for protective purposes. This is being done as the Japanese armed forces at present available in Shanghai are fewer than those of other powers.

A report, given on good authority here, is current to the effect that Marshal Chang Hsueh-liang in Peking has approached the Japanese Legation officials to see if Japan is prepared to open negotiations with him for a settlement of affairs in Manchuria.

The Foreign Office spokesman is reticent regarding this report but he admits to being pessimistic about the possibility of anything eventuating even if the report proves to be true.

On this point it is interesting to note that a report to-day says the Cabinet has decided to take no notice of General Honjo's announcement in Mukden that the Japanese military authorities in Manchuria had decided to break off all relations with Marshal Chang Hsueh-liang "in view of the insincere attitude he still maintains towards Japan." But it is added that the Cabinet is understood to have expressed strong disapproval of General Honjo's action on the ground that it amounts to interference in matters in which military authorities have no right to meddle.

Later.

It is understood that 300 out of the 700 blue-jackets at present composing the Japanese landing parties in Shanghai will be sent to Hankow on the arrival of the Tokiwa, which is carrying 400 men as reinforcements.

In the meantime, owing to the growing violence of the anti-Japanese movement, the Cabinet is reported to have decided to order all Japanese living in the Yangtze districts to withdraw to Shanghai, and Hankow, where further warships will be despatched to protect them if necessary. — Reuter.

Japan's Note to China

Mr. M. Shigemitsu, the Japanese Minister to China, was instructed by his home Government to forward to the Chinese Government the following Memorandum under date of October 9:—

1. The Japanese Government has already made it clear that the Manchurian affair is nothing but an outcome of the deep-rooted anti-Japanese feeling in China which has taken a specially provocative form in the recent challenge to the Japanese troops compelling the latter to resort to measures of self-defence. The responsibility for the present situation naturally lies with the Chinese Government.

The Japanese Government has time and again requested the Chinese Government to take proper steps to check the anti-Japanese movement so systematically carried out in various places in China. Being desirous of maintaining cordial relations between the two countries, this Government has exercised greatest patience and forbearance in the hope that this deplorable state of affairs may yet improve. Unfortunately, however, this anti-Japanese agitation seems now to be assuming alarming proportions.

It is learned that anti-Japanese societies at Shanghai and elsewhere have passed resolutions not only to enforce prohibition of trading in and transportation of Japanese goods but to order cancellation of existing contracts and otherwise to prohibit all business transactions and to cancel contracts of employment between Chinese and Japanese in order thus to effect the so-called "severance of economic relations with Japan." For that purpose examination and detention of goods and persons, intimidation and violence, and various other means are being employed to give effect to such resolutions and severe penalties are meted out to any who may fail to comply with these orders.

Some societies even going so far as to threaten capital punishment. Moreover cases of expropriation and detention of goods owned by Japanese people and of threats and violence against their lives and property have become so numerous and

insistent throughout China that they have been forced to withdraw totally or partially from various localities.

2. It is to be noted that the anti-Japanese movement in China is conducted as an instrument of the national policy under direction of the Nationalist party, which, in view of the peculiar political organisation of China, is inseparable in function from the Government. That movement must, therefore, be clearly distinguished from one which originates spontaneously amongst people. It is, therefore, evident that the present anti-Japanese movement in China is not only in contravention of the letter and spirit of the treaties existing between the two countries but constitutes a form of hostile act without use of arms contrary to all standards of justice and friendship. The Chinese Government will be assuming a very serious responsibility if it should fail to take prompt and effective measures to quell that agitation. Moreover, in meting out penal sentences to individual citizens, the anti-Japanese societies which are purely private organisations are clearly usurping the authority of the National Government.

3. It will be remembered that at the recent meeting of the Council of the League of Nations at Geneva the Chinese Representative as well as the Japanese gave assurance that their respective Governments would endeavour to prevent aggravation of the situation. The Chinese Government obviously against that pledge is actually aggravating the situation by making no honest or effective effort to restrain the activities of the anti-Japanese societies which are jeopardizing the lives and property as well as the liberty of trade of the Japanese subjects in different parts of China.

4. The Japanese Government desires to call once more the serious attention of the Chinese Government to these actions on the part of the anti-Japanese societies, and to declare at the same time that the Chinese Government will be held responsible for whatever may be the consequences of its failure to suppress the anti-Japanese movement and to afford adequate protection to the lives and property of the Japanese subjects in China.

Nanking, Oct. 11.

The Japanese Minister, Mr. Shigemitsu, went from the Japanese Consulate to the Foreign Office in a motor-car this morning, called on the Acting Minister for Foreign Affairs, Mr. Frank Lee, and personally handed him the Japanese Memorandum to the National Government regarding the alleged anti-Japanese activities in China. The Memorandum was delivered to Mr. Lee at 10 o'clock.

As soon as the Japanese Note had been delivered to the National Government, an emergency meeting of the Special Foreign Affairs Commission was held at the Foreign Office, Mr. Frank Lee submitting the Memorandum for consideration. Mr. Hsu Mo, chief of the Asiatic Affairs Department of the Foreign Office, participated in the deliberations. It is expected that the Government will address a formal reply to the Japanese Government in a day or two.

China's Reply

Oct. 12.

It is officially announced late this evening that the Chinese reply to Japan's recent Note will be delivered to-morrow. Reuter learns from a high authority that the Note will consist of seven paragraphs, the gist of which follows:

1. The Japanese invasion of Manchuria was a violation of international agreements. These military movements constituted a state of war and outrages were perpetrated which are not often done even in time of war.

2. The Japanese and Chinese governments both are members of the League of Nations and signatories to the Kellogg Pact and should therefore try to settle their differences by peaceful means. When the League of Nations asked Japan to withdraw from Manchuria she did not do so.

3. The National Government never offered armed resistance to Japan, had always kept the high feeling of the public under control and made every effort to protect the lives and property of Japanese nationals in China. China has fulfilled her promise to the League.

4. In accordance with the decision of the League of Nations the National Government had appointed special representatives to take over control of the occupied territories but the Japanese troops had never withdrawn as the Japan-

ese representative at Geneva had promised the League.

5. The unpopularity of Japanese goods in China was caused by unfriendly acts of the Japanese Government. The Chinese Government cannot interfere with the freedom of the public in making purchases.

6. While the Chinese Government was doing its best to keep the feeling of the public under control Japanese aeroplanes bombed Chinchow and the situation has been aggravated by Japan's recent provocative actions. The Chinese Government cannot be held responsible for the consequences of Japan's own ill-advised policy.

7. In spite of Japan's provocative actions China will continue to give protection to Japanese lives and property in China but if Japan continues to use war as an instrument of national policy she must be held responsible for the consequences of that policy.

It is understood that the reply of China was drafted by Dr. W. W. Yen, newly appointed Chinese Minister to Washington, the draft being submitted to a meeting of the special Foreign Affairs committee. It was revised there and this evening was submitted to the Central Political Council at a specially convened meeting. The final draft was approved and the document was then sent to the Foreign Office with instructions for forwarding it for delivery to Japan to-morrow.

It is stated here this evening that according to latest statistics received in official quarters there are now no less than 25 Japanese warships in the Yangtze Valley. — Reuter.

China to Undertake Protection

Nanking, Oct. 6.

At an emergency meeting of the special foreign affairs committee yesterday it was decided to accept the ruling of the Council of the League of Nations in Geneva that China will undertake to protect Japanese nationals in Manchuria on the condition that Japanese troops are withdrawn from Chinese territory.

The foreign affairs committee and the National Government have decided to appoint General Chang Tso-hsiang and General Wang Shu-chang to assume responsibility for protecting Japanese lives and property in Manchuria.

The emergency meeting of the special foreign affairs committee of the Government also decided that with his personal secretary Dr. W. W. Yen, the newly appointed Chinese Minister to the United States, is to proceed to Washington immediately to keep the American Government fully informed of developments in the critical Sino-Japanese relations. — United Press.

Not to Land in Nanking

Nanking, Oct. 8.

By an arrangement made this afternoon by the National Government office and the local Japanese Consul-General, Mr. Umemura, the latter sent a communication to the commander of the Japanese cruiser Tsuchima, lying off Nanking, requesting him not to land sailors or marines, as such a stop might lead to a clash or misunderstanding.

The arrangement provides that foodstuffs shall be furnished to the Tsuchima by the local Chinese authorities. A representative of the Foreign Office and an officer representing the local garrison commander are stationed at Hsiakwan to carry through the necessary arrangements with the cruiser.

The special Foreign Affairs committee recently appointed sent a cable to-day to Gen. Chiang Tso-pin, Chinese Minister in Tokyo, requesting him to assure the Japanese Government that the National Government will accept full responsibility for the protection of Japanese lives and property in China. The committee further requests the Minister to urge the Japanese Government not to despatch warships to Chinese waters, as this will only aggravate the present situation.

The National Government issued two important mandates this afternoon. In the first, it states that, in accordance with the wishes of the League of Nations, it has appointed commissioners to take charge of the taking-over of all territory that may be evacuated by the Japanese forces in Manchuria. The commissioners are Gen. Wang Shu-chang and Gen. Chang Tso-hsiang.

According to a report received by the National Government this afternoon, certain undesirable elements, relying on support from outside sources, are organising unlawful institutions in Manchuria. Such activities are rebellious in nature and are bringing indescribable harm to

the public. Marshal Chang Hsueh-liang has been instructed by the National Government to instruct Generals Wang Shu-chang and Chang Tso-hsiang to deal immediately with such unlawful activities.

The second mandate forbids all Government officials to ask for leave or to leave the capital. Violators of this order will be punished as deserters.—Reuter.

British Investigation

Peking, Oct. 10.

Three officials of the British Legation left here for Manchuria last night to investigate the situation. It is understood that Sir Miles Lampson, the British Minister, regards them as being sent from his personal staff for investigation purposes to enable him to report on the situation rather than as delegates directly representing the British Government.

Oct. 11.

A Chinese report received here this morning from Chinchow states that Major Lovat Fraser, the Assistant Military Attache, who is one of the three British representatives who have been sent to Manchuria, alighted from the train at Chinchow yesterday afternoon and investigated the places damaged by bombs during the Japanese air attack last Thursday.

It is believed that the three British investigators will attempt to proceed to Changchun and Kirin as well as Mukden. The three left for Manchuria on Saturday night. It is understood that the British Minister, Sir Miles Lampson, regards them as being sent from his own personal staff for investigation purposes to enable him to report on the situation rather than as delegates directly representing the British Government.—Reuter.

"The Times" on Situation

London, Oct. 12.

It is impossible for the League of Nations to agree to the Japanese claim that it should meet the Chinese complaint by merely recommending the Nanking Government to come to terms with its adversary quickly, says "The Times" in the course of a leading article this morning. Nor can it be possibly argued, the paper declares, that the Japanese military operations in Manchuria come under Article XV of the Covenant of the League of Nations.

The Japanese Government, says "The Times," has put itself in the wrong by permitting, or failing to prevent, repeated military action, and to this breach is added a clear departure from the spirit of the Kellogg Pact. It would be deplorable that Japan, a highly civilized state which has always prided herself on punctilious observance of international obligations, should depart from her high standard. It would be equally deplorable if the Chinese Government, which has placed itself unreservedly in the hands of the League, should follow counsels of impatience, passion or despair.

The fact that Lord Reading has gone to Geneva, "The Times" continues, suggests the importance which His Majesty's Government attach to the action of the League, any failure of which might lead to a disastrous upheaval in China. Moreover, in the present condition of Europe a blow to the prestige of the League would be the worst possible prelude to the forthcoming World Disarmament Conference.—Reuter.

The Independence Movement

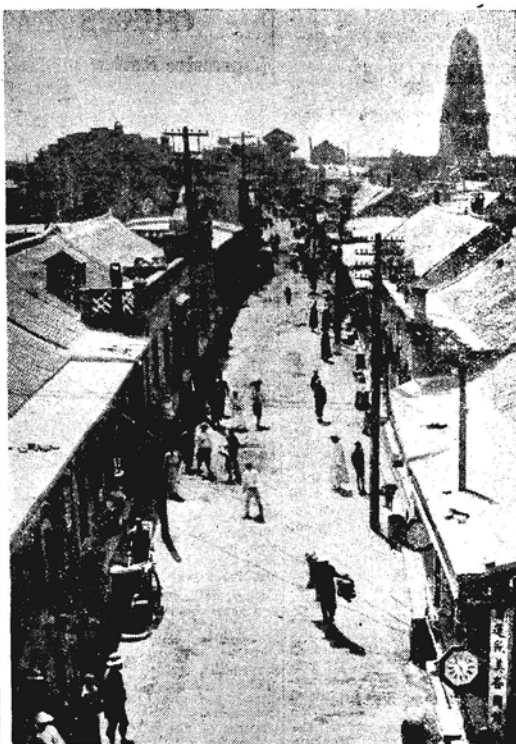
Mukden, Oct. 4.

Much interest has been created here by the so-called movement for the independence of Manchuria. An independent government has been established in Kirin and it is supposed that Liaoning (Fengtien) and Heilungkiang will follow suit, despite the fact that educated Chinese point out that such independence would mean the end of Manchuria within a few years, citing Korea as an instance in point.

Much attention has been attracted here by the official declaration made by the head of the Japanese Delegation at the recent meeting of the Council of the League of Nations that the occupation of Manchuria was not a war-like act. A few examples of what the Japanese army has done in Mukden will suffice to show how far this assertion was from the truth:

1.—A large number of Chinese aeroplanes at the aerodrome have been taken over and the Chinese marks painted over with Japanese marks, in many cases so badly that the Chinese marks are still visible.

2.—At the Trench Mortar Arsenal, a large portion of which had been reorganised for the manufacture of



BOMBED BY JAPANESE PLANES

A street of Chinchow, on the Peking-Mukden Railway, which was bombed by Japanese aeroplanes. Chinchow is the entrepot for the products of Eastern Mongolia and a large business in furs, skins and raw cotton is conducted.

motor-trucks, all the trucks ready for use together with those under assembly and all available spare parts have been removed by the Japanese Military authorities.

3.—At the Mukden Arsenal a couple of days ago the Japanese guards were withdrawn for a few hours, so that the Chinese were able to enter it freely. Everything was found in complete disorder, especially in the stores, but it was not possible to ascertain how much equipment had been removed as the Japanese guards soon returned and expelled the Chinese.

4.—A great many houses belonging to leading Manchurian officials have been searched and looted, and many motor cars belonging to such officials have been seen in the streets driven by Japanese. As an example, it is stated that a large quantity of silver and opium at the house of Mr. Tang Yu-lin has been confiscated.

A reliable eye witness of the fight at Pei Ta Ying (North Camp) on the night of September 18 stated that ten minutes after the explosion, which is alleged to have wrecked the South Manchurian Railway, he saw a troop-train arrive full of soldiers who quickly got down from the train and immediately went to attack the North Camp Barracks. He gave assurances that not the slightest resistance was offered by the Chinese soldiers there, who evacuated the Camp as quickly as possible.

Washington, Oct. 5.

Mr. Yung Kwai, the Chinese Chargé d'Affaires in Washington, from the Chinese Legation here today made public a telegram from the Chinese National Government at Nanking charging Japan with inciting secessionist movement in Manchuria through the operations of the Association for the Maintenance of Order in Manchuria.

The telegram from Nanking says that the Chinese Government does not recognise the Association for the Maintenance of Order. Mr. Yung Kwai has declared that the Nanking Government has sent a similar message to the Council of the League of Nations in Geneva.—United Press.

Peking, Oct. 7.

Allegations that the Japanese military authorities are supplying arms and ammunition to Mongol chiefs in Inner Mongolia are made in telegrams received by Marshal Chang Hsueh-liang's headquarters here. These messages declare that five trains, laden with munitions and guarded by Japanese troops, reached Ikusu on October 2. The Japanese are reported to have confined the railway employees and to have turned off the station lights while 100 Mongol carts unloaded

and carried off the munitions to Mongol chiefs in Inner Mongolia.

The following day, state the reports, similar cargoes arrived at a small station near Taonan and were despatched to Taha, where 1,000 Mongol troops are encamped, headed by thirty Mongol returned students educated in Japan.

It is also reported that some Mongol princes, with their troops, are concentrated at Chengchiatun and are preparing to declare their independence and to march into Chengchiatun in a few days. The reports received by Marshal Chang Hsueh-liang's headquarters state that these Princes have been supplied with 3,000 rifles, a million rounds of ammunition, four trench-mortars with ammunition, four mountain-guns and ammunition, and two aeroplanes.

The official telegrams add that these arms and ammunition are part of those taken from the Mukden Arsenal by the Japanese troops soon after they occupied that city.—Reuter.

Another Soviet Denial

Moscow, Oct. 5.

"Provocative invention" is the official Tass Agency's description of the reports published abroad that Soviet cavalry patrols and armoured cars have entered Manchuria. The agency adds that the statements that troops of the Red Army have crossed or are preparing to cross the Manchurian frontier are entirely false.

Editorials on the subject of the recent long conversation between M. Litvinoff, the Soviet Commissar for Foreign Affairs, and the Japanese Ambassador to Russia appeared to-day in nearly all the newspapers, which assert that as regards Manchuria "the real fight is still ahead" and that the operations hitherto are mere preliminaries.—Reuter.

Military Drill in Schools

Nanking, Oct. 9.

Compulsory military training in all middle schools and colleges throughout the country as the first war preparation measure against Japan is being advocated here by leaders of the Anti-Japanese movement.

Already military drill with army instructors from the Headquarters of the Inspector-General of Military Training has been introduced in the various institutions in the capital and over 300 students have even given up their studies to enter the regular army.

"Lay down the pen and join the military service" is the popular slogan. Daily petitions are received by General Chiang Kai-shek from student organizations in

Shanghai, Hankow, Tsinan and other cities for permission to be either recruited into the government army or to use real arms and ammunition in their school military drill.

Representatives of Chinese students in Japan are in the capital sounding the opinion of the Generalissimo as to the advisability of withdrawing en bloc from the Nippon universities and returning to China to become soldiers.

In leading institutions here like the Central University and Nanking University, volunteer corps have been organized on very much similar lines as the famous Whampoa Cadets. The students are being given a rigid military training under army instructors from the Headquarters of the Inspector-General of Military Training.

Two full hours are devoted each morning to drill on the field and lectures on army discipline and tactics are given three evenings a week. The plan is to turn these youths into trained soldiers in three months so that a large student army may be raised for national defense at a short notice. The student volunteer corps are at present not equipped with actual arms, but the Commander-in-Chief's Headquarters has promised to issue them rifles and machine-guns as soon as they have completed their first stage of training.

In the Nanking University the students are organizing a "Big Swords" Corps and are planning to use swords of the style of those used in the Northwestern Army (formerly under General Feng Yuxiang) or those used in the Japanese Army. The latter are preferred as they are lighter and easy to handle.

It is estimated that in the capital there are 40,000 Middle School and College students and in the whole country over 400,000. Leaders of the Anti-Japanese Movement believe that if rigid military training is given them immediately, China will have in the next three months a large and strong Student Army to fight against Japan.

General Chiang Kai-shek, Chairman of the National Government, while approving the introduction of military drill in the schools, maintains the view that the time is not yet ripe for the students to "lay down their pens" to take up arms and that they should continue their studies and prepare themselves for useful services to the country.—United Press.

Japanese Action in Manchuria

Tokyo, Oct. 7.

Japanese residents in Manchuria at a mass meeting held recently, unanimously passed the following resolution:—

"Because of the positive challenging attitude of the Chinese Governments at Nanking and Mukden against Japan, the Imperial Japanese Government is urged to determine to remove the source of all the troubles, whatever sacrifice may be entailed. Friendly relations, however, with Chinese who are good and innocent should be maintained and promoted. The present military action of the Japanese authorities should be maintained in Manchuria, pending the accomplishment of the primary object, which is the maintenance of Japan's rights and interests, and to render secure the lives and property of Japanese residents in Manchuria through a perfect clearance of the province of the outrageous remnant of Chinese troops.

This resolution was duly addressed to the government and to the leading press, political and other public bodies in Tokyo.—Reuter.

China Strengthens Defences

Nanking, Oct. 7.

Under instructions from the Commander-in-Chief, one regiment of the National Guards, hitherto stationed at Hangchow, is being transferred here to strengthen the garrison.

The Ministry of the Navy has also issued orders that all strategic points along the coast shall be strongly guarded by gunboats. Three gunboats belonging to the 2nd Naval Squadron arrived off Hsiaiwan yesterday.—Kuo Min.

Tokyo, Oct. 8.

According to press despatches received here late this evening, Marshal Chang Hsueh-liang is reported to have ordered the commanders of the Manchurian troops in Kirin, Tsitsihar, and other districts to concentrate their forces at an unspecified point for the purpose of opposing the Japanese.

The "Young Marshal" is stated to have mustered two brigades of infantry and several artillery units at Chinchow, following the provisional

establishment of the Manchurian capital there.—Reuter.

Boycott Movement in Canton

Canton, Sept. 30.

Another popular mass meeting was convened at the Provincial Party Headquarters yesterday, and the students of the city held a smaller but far more important conference at the Asia Hotel.

While at the first only the sentiments of those present were registered, the purpose of holding it being to broadcast to the world the fact that Canton's citizens are behind the boycott movement, the students' organization got down to serious business. It will be the schoolboys who will conduct the boycott, now an assured fact.

No central organisation is to be perfected. Students, merchants, labourers and all may have their own boycott committees, their own 'dare-to-die' battalions will use their own methods, make their own regulations.

The Bankers Association held its separate meeting. Loans are not to be granted on property insured in Japanese companies. Money will not be delivered to Japanese vessels, nor will business be done with Japanese banks.

It has been pretty well decided by all organisations that whatever is done will be done to Chinese disobeying the boycott rules, and not to Japanese directly. Only after goods have come into the possession of Chinese shops will they be disturbed.

For all that the Government can do, it looks as if a boycott will be put through by the students and others, for it is a popular cause. Wang Ching-wei and his party are strongly against it, at least at this time, but in this they have the masses against them.

Oct. 1.

After sending two letters to the shop Kung Hing on Tung Hing Street warning that it should suspend the selling of Japanese made wares, the writer of the letters placed a bomb in front of the shop and one of the employees and a customer were slightly injured.

This took place at about six o'clock last night. A third letter was left as a gentle reminder that more is in store for the owner if he keeps on trading in Japanese merchandise.—Reuter.

Shots at Chungking

Oct. 13.

In Chungking, a band of armed Chinese are alleged to have fired a volley of shots into the Japanese Police Station on Saturday night and later to have alarmed the residents of the Japanese concession by patrolling the outskirts in Chinese territory and continually discharging their revolvers. Although no one was injured during the firing, the Japanese police have instituted a special watch for the culprits and have prepared for any eventuality.

Telegraphic reports from Kiating state that practically all business with Japanese firms is at a standstill in the port, the Bank of Communications and other banks refusing to negotiate with the D. K. K. or other Japanese business houses and merchants also are said to be declining to supply provisions or other goods. The majority of the Chinese employed by Japanese firms there have resigned their positions, under intimidation from the Anti-Japanese Association, the consulate has been advised, while all Japanese women and children have been evacuated. A report from Hankow states that rolling stock on the Peking-Hankow Railway is being concentrated at the Yangtze River terminal of the line, thus fostering the belief that military movements from this point are impending.

Anti-Japanese Boycott Oath

Nanking, Oct. 12.

Oaths avowing life-long boycott of Japanese products will be taken by teachers and students of the various schools in the Capital, and other places in the country.

The text of the oath is:—

"By the blue sky that watches over me, by the bright sun that shines on me, by the mountains and rivers of my country, by the sacred tombs of my ancestors, I swear with my warm blood and with utter sincerity that for the rest of my life I shall never use Japanese goods. May Heaven punish me should I retract my decision or change my mind."—Kuo Min.

Money Situation in Mukden Better

Mukden, Oct. 11.

The Mukden money market lately has been greatly disturbed and local dollar notes have been discounted as much as 30 per cent. But the situa-

tion has been eased considerably by the announcement to-day, by the Chinese municipal authorities on behalf of the Three Eastern Provinces Bank and the Frontier Bank, that these banks will open again for business on October 15.

They will open under a set of restrictive regulations however. These are, that all Government deposits cannot be withdrawn; private deposits of less than \$5,000 can be withdrawn in full; no new issue of bank notes will be permitted; all bank loans are to be called in for prompt payment; a special office will be established in the walled city for the conversion of bank notes; not more than fifty dollars worth of notes may be converted by any one person daily; and no one person may carry more than \$100 in silver out of the walled city. These regulations will be cancelled when a Chinese Government is again established in Mukden.—Reuter.

U.S. Minister to Visit Nanking

Mr. Nelson T. Johnson, American Minister to China, is leaving Peking for the capital to-day following receipt of instructions from his Government to discuss the Manchurian situation with the National Government. It is expected that he will hold important conversations with Mr. Frank Lee, acting Foreign Minister, during his sojourn here.—Kuo Min.

Making Hay While Clouds Gather

Oslo, Oct. 10.

The newspapers here report to-day that some Norwegian paper mills have increased their exports to China owing to the boycott carried on by the Chinese against goods.—Reuter.

12 PEOPLE DEAD AT CANTON

Police Chief Resigns Following Shooting

Canton, Oct. 11.

Twelve persons were killed and 20 seriously injured here last night in the first serious outbreak in Canton since the inception of the anti-Japanese boycott movement.

A mob of students broke into the "New World", a store on Wing Hon Road, and carried into the street all articles which they believed to be of Japanese origin. With these they made a bonfire.

The police rushed to the scene, arrested the ringleader and took him to the station. The mob followed and attempted to secure his release, throwing a volley of stones at the police station. Thus attacked and heavily outnumbered the police repelled the attackers by opening fire on them. The result was as stated—12 persons killed and 20 seriously injured.

All the shops in Wing Hon Road are closed to-day and the police, who have been heavily reinforced, are patrolling this street and others where trouble is feared.

As a sequel to the incident, the Chief of Police, Colonel Chen Hsing-yun, resigned his post this evening. The affair has caused much indignation in certain circles, which are demanding the arrest and punishment of the police who fired on the students. Those joining in this demand include public organizations, student bodies, bus-drivers and chauffeurs employed in public garages.

For some reason as yet unexplained the affair has caused the greatest indignation among the bus-drivers, who have manifested their displeasure by walking off duty. As a result no buses are running to-day, but though the public has been inconvenienced, the rickshaw-coolies are pleased, for they are reaping a rich harvest.

The name of the student ringleader whose arrest caused all the trouble is Yung Han-loo, who has now become a hero in the eyes of his fellow students.

Oct. 12.

Speaking at the weekly memorial meeting this morning, Mr. Sun Fo, one of the leaders of the local Government, said he deplored the shooting of students especially, on such an occasion as the Double Tenth.

The eight policemen who were responsible for the firing have been arrested and will be tried before a special court.

Communists are taking advantage of the present situation to foment trouble, but to guard against any further disorders the authorities have declared a state of emergency. Troops with fixed bayonets are guarding the streets leading to the headquarters of the Government.—Reuter.

Peace Movement

CANTON NEGOTIATIONS

Gen Chen Ming-shu Returns from the South: Peace Reported in Sight

After a stay of 10 days in Canton, where discussions on Nanking-Kuangtung unification occupied him, General Chen Ming-shu returned on October 11, by the Glen Line str. Gleniffer from Canton via Hongkong.

Arriving on the same steamer as General Chen were Messrs. Kuo Meng-yu and Huang Hua-piao, two leading members of the southern party, who come purely in an individual capacity.

Political circles attach great importance to General Chen's return trip to Nanking, where the Government's attitude toward Kuangtung will be finally determined. While the ray of hope of peace between the two parties is considered brightened during the last several days, the final settlement of the differences still remains a glittering vision.

The outstanding issue at present, according to a report, centres on Kuangtung's demand of a rehabilitation of the Government's finance. The rumour of the resignation of Mr. T. V. Soong, Minister of Finance, which lent considerable colour to the report, was scouted by the Minister a few days ago.

So far is known at present, Kuangtung first clarified its stand thus: (1) General Chiang Kai-shek should issue a formal telegram expressing his sincerity in the peace movement, (2) Nanking should let Mr. Hu Han-min leave for Shanghai, and (3) Following the arrival of Mr. Hu Han-min in Shanghai, Kuangtung would send delegates to Shanghai to attend unification negotiations.

After Mr. Wang Ching-wei had announced to the press representatives in Canton that the above three items were not "peace" terms to Nanking, a manifesto was issued by the Canton leaders on the political situation in China. Summarized, it says that demand should be made with the League of Nations and signatories of the Kellogg Pact for a just settlement on the Manchuria situation.

Regarding the question of a united Government, the statement outlines the following three points: (1) Making public of all political affairs, (2) Military forces under the direction of political council and (3) Rehabilitation of the country's finance by Government officials and representatives of the people.

What was regarded as a promising prospect of a temporary settlement of the two parties was the statement of a high spokesman in Nanking that all problems between Kuangtung and Nanking will be held in abeyance until the convention of the Fourth National Congress, scheduled for November 4, and that a united front to face the present crisis will be formed in Nanking with representatives of Kuangtung and Nanking. The Canton delegates will come up to Nanking without terms, it is reported.

According to reliable information, the appointment of General Chen Ming-shu as Garrison Commander of Nanking and Shanghai paves the way for the arrival of Kuangtung delegates. It is reported that following the completion of the transfer of Cantonese divisions, under General Chen Ming-shu to the Shanghai-Nanking Railway zone, Kuangtung's delegation will proceed northward.

It was first reported that a preliminary meeting will be held in Shanghai to be attended by Messrs. Wang Ching-wei, Sun Fo, Generals Yen Shih-shan and Feng Yu-hsiang, Messrs. Hu Han-min, and Nanking's delegation. Mr. Wu Teh-chen, former chief of police in Canton and a prominent politician, however, declared that Messrs. Wang Ching-wei and Sun Fo had offered to come to Nanking immediately with Dr. Tsai Yuan-pei and Mr. Chang Chi without demanding personal guarantees for their safety.

The peace movement was started by leaders of both sides after having announced they would sacrifice themselves to lead the people in the struggle against the present crisis. With the stage set for a speedy compromise, General Chiang Kai-shek delegated General Chen Ming-shu, Dr. Tsai Yuan-pei and Mr. Chang Chi to attend discussions in Canton. The party left here on September 25.

Following the announcement of Mr. Chang Chi to local pressmen

that General Chiang Kai-shek was prepared to make any sacrifice of position and power for a settlement with Kuangtung, much speculation has been observed here for the outcome of the negotiations. It was reported several days ago that a joint telegram by Canton, announcing the abolition of the Kuangtung Government and Nanking, declaring the ending of the dispute will be issued.

The telegrams are, however, at present withheld until a final compromise is reached. General Chiang Kai-shek, it is reported, is willing to abolish the post of Commander-in-Chief of the Army, Navy and Air Forces, as demanded by Kuangtung.

Besides the official delegation sent by the Nanking Government, Marshal Chang Hsueh-liang and local merchants have also delegated representatives to Canton, urging for a united front with Nanking.

As the peace movement is being watched with exceptional interest in China, and it is generally believed that its result will doubtless largely influence the subsequent China's attitude toward Japan, Mr. Sun Fo, in an interview with reporters in Canton, said that China is not prepared for war at the present moment owing to the poor financial conditions and the poor organization of the army. It is reported the present attitude of the Nanking Government will be adhered to, with but little changes on certain points.

In the course of an interview with a representative of the "North-China Daily News" at his arrival, General Chen said that he was very hopeful about the outcome of his mission. Although nothing definite had materialized, he expressed himself as being most optimistic because the general hope among the southern pacers was for peace.

"I am returning to Nanking to-night in company with our party elders, Dr. Li Shih-tseng, General Wu Te-chen and Messrs. Wu Ts-hui and Chang Ching-ling to report to President Chiang Kai-shek and other leaders of the Central Government on my negotiations with the Canton leaders. I gathered from the Canton leaders that Mr. Sun Fo, Mr. Wang Ching-wei and Li Man-fan will come here as soon as I return to Nanking and deliver my report or soon as they receive my telegram. They have asked that Mr. Hu Han-min should be sent to Shanghai from Nanking to meet them. If Mr. Hu and the Central Government are willing, they will come by the first steamer from Hongkong to meet the Nanking delegates and see whether or not the outstanding differences may be solved."

While Gen. Chen Min-chu, Dr. Tsai Yuan-pei and Mr. Chang Chi are the three active participants in the peace negotiations with Canton on behalf of Nanking, the efforts of a former high Government official to bring about a successful conclusion of the preliminary peace negotiations in Hongkong should not be forgotten by those who wish to see peace again restored in the nation. This official is Mr. Loo Wen-kan, former Minister of Justice, and at present a member of the newly-formed Foreign Affairs Committee in Nanking.

Interviewed on October 11 by a representative of the "North-China Daily News" at the Cathay Hotel, where he is staying, Mr. Loo admitted that he had come to Shanghai to meet Gen. Chen Min-chu and Cantonese delegates in connection with the proposed peace conference. However, Mr. Loo stated, he acted entirely in a private capacity and as a friend of both Nanking and Canton, he having neither been appointed by Nanking nor Canton to negotiate in regard to the peace problem. As soon as he had met the delegates from Canton, he would return to the north, Mr. Loo stated. Mr. Loo was reticent when questioned about the possible outcome of the proposed peace meeting between Nanking and Canton.

Asked what was the Central Government's, and especially Gen. Chiang Kai-shek's, attitude towards Japan in connection with the Manchuria problem, the former Minister of Justice, while admitting that he did talk this problem over with Gen. Chiang during his recent visit to the capital, stated that he could not tell anything to the press in this regard at the present. However, the National Government had full confidence in the League of

CHINA'S NATIONAL DAY

Impressive Review at Nanking: Aerial Display Before Gen. Chiang

Nanking, Oct. 10.

An impressive military parade, reviewed by General Chiang Kai-shek, marked the climax of to-day's celebrations of the "Double Tenth" here. The review took place shortly after 10 o'clock this morning.

The Japanese Minister to China, Mr. Shigemitsu, who left Shanghai yesterday in the Japanese destroyer Kashi to see the parade, was unable to be present as the Kashi was delayed by fog and will not arrive here until some time this afternoon. Mr. Shigemitsu was represented by the Japanese Consul, Mr. Uyenura.

General Chiang Kai-shek, in the course of a brief speech, declared that only peace and unity could save China, but he made no reference to the Sino-Japanese situation. However, he declared that the only and most effective way of resisting foreign invasion was for the country to be strong itself.

After the parades had passed the reviewing stand the nine powerful Junkers monoplane of the MK 47 type, which were recently purchased from Germany, circled overhead and performed hair-raising stunts.

The troops reviewed included four regiments of infantry, a battalion of the engineer corps, a regiment of cavalry, and a regiment of artillery. Twenty-five tanks also passed the reviewing stand.

The Japanese Military Attaché attracted a good deal of attention from those present by taking motion pictures of the parades.

America was represented by the largest foreign delegation present, among those attending being the Consul-General, Mr. Willys R. Peck, and the commander and officers of the American destroyer lying off Hsiaokwan.

Before the review the diplomatic representatives were presented to General Chiang Kai-shek at the National Government Office by Mr. Frank Lee, the Acting Minister for Foreign Affairs.

Mr. Lee is giving a banquet this evening for the representatives of the Diplomatic Corps. Among those who are to attend will be members of the foreign affairs committee.—Reuter.

Oct. 10.

The Publicity Department of Central Party Headquarters issued to-day a manifesto to the Nation on the occasion of the 20th anniversary of the birth of the Republic.

The manifesto begins by recalling the state of misery and despair in which the people were enveloped before the inauguration of the Republic. They were not only held under abject bondage by the Manchurian despots but were also beset by foreign aggressions. It was only after twenty years of strenuous struggle and the sacrifice of countless numbers of our Revolutionary comrades that the late Party Leader, Dr. Sun, and his followers succeeded, on this day twenty years ago, in starting the revolution at Wuchang which ultimately brought about the downfall of the Manchurian regime and the birth of the Republic. The nation was thus saved from what threatened to be irretrievable ruin and the people liberated from the yoke of the Manchus.

This occasion, which marked an important turning point in the history of the nation, is therefore well worthy of commemoration.

In commemorating this occasion, the manifesto continues, we are not only paying a tribute to the memory of the late Dr. Sun and the other Revolutionary leaders who founded our Republic, but we should also pledge ourselves to strive with the same spirit of sacrifice and self-effacement for the preservation of

Nations and upon the League the Chinese Government would rely for the solution of the Manchuria problem, Mr. Loo stated.

Nanking, Oct. 12.

General Chen Ming-shu arrived here this morning together with the other peace delegates who went to Canton some few days ago. Gen. Chen conferred with General Chiang Kai-shek at nine o'clock this morning and reported fully the result of his negotiations with the Canton Government.

A meeting of the Foreign Affairs Committee was held this morning. Dr. Wellington Koo, who arrived here yesterday from Peking by aeroplane, participated in the deliberations.

An emergency meeting of the Central Political Council will be held this afternoon at 2 o'clock.—Reuter.

this hard-won fruit of their sacrifices.

Continuing, the manifesto deplores the fact that from the second up to the 14th year of the Republic, the reins of Government had been usurped by the militarists. Commemoration of this anniversary in the course of these years had been meaningless and perfunctory.

In the 15th Year (1926), however, the party army captured Wuchang, the national capital being subsequently established at Nanking in the ensuing year. The Northern punitive expedition was completed in the 17th Year, thereby restoring national unity and putting an end to the regime of militarism. Although celebrations of the 18th and 19th anniversaries of National Independence Day were held in the midst of military operations against the rebels, the subsequent subjugation of the rebellions and restoration of unity gave an added significance to these two anniversaries.

But on the present anniversary, not only are the remnant bandits still at large and ravages of the floods not yet repaired, but the Japanese militarists have taken advantage of this moment of our national prostration and suddenly invaded the North-Eastern provinces. Important cities have been occupied and innocent people slaughtered.

A mantle of sadness and grief has thus been thrown upon what used to be an occasion of nation-wide rejoicing.

Continuing, the manifesto urges that at this moment when the very existence of the nation is in jeopardy, the people should awake to the gravity of the situation and realize that their enemies now are no longer militarists but Japanese Imperialists. Unless the aggressions of the Japanese Imperialists are courageously faced and resisted, our continued existence as an independent and sovereign state will be impossible. For their present military actions are but a prelude to the complete subjugation of China.

In conclusion, the manifesto calls upon the people to strive, with unity and harmony, and in strict obedience to a single command, in overcoming this national emergency.—Kuo Min.

Tokyo, Oct. 10.

His Majesty the Emperor of Japan to-day despatched a telegram of congratulation to General Chiang Kai-shek on the occasion of to-day's national holiday of the Chinese Republic.—Rengo.

FOREIGN DEBTS TO BE PAID

Measures Adopted to Stabilize Bonds

The rumour that China is considering postponing payment of foreign debts and the interest for one year was scouted by the Ministry of Finance as without foundation. The denial was issued by Mr. T. V. Soong, the Finance Minister, on Sunday and related to Shanghai yesterday.

The rumour was in circulation following a conference held by Mr. Soong and several local leading bankers. Officials made known yesterday that only measures to stabilize the Government bonds were discussed in the meeting.

It was also revealed yesterday that in order to strengthen the trust and confidence of the general public in the domestic bonds, the Central Bank, Bank of China, Bank of Communications and other Chinese banks have agreed to buy them.

Mr. Chang Shu-yung, Vice-Minister of Finance, in an interview with local press representatives, said that a reserve fund of \$15,000,000 has been put aside by the banks to cover the bonds. In case the fund is not enough to meet them, the banks have agreed to allot more money for this purpose.

The Government bonds have been seriously affected by the recent Sino-Japanese crisis in the north and the wild rumours in Shanghai. It is believed the measures will greatly stabilize the market.

THE "Sinwanpao" states that Prince Kung, former Regent, has arrived in Mukden with a number of Japanese officials to assume leadership of the independence movement. It is said that the imperialists are gathering in that city preparatory to establishing a new monarchical regime.

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TENSION GROWING

Oct. 7.

The demonstration of women's organisations in Shanghai on Monday afternoon, the various ebullitions of students' associations, the activities of the boycott billposters may all be regarded as justifying the Japanese Government's view that special precautions are necessary for the protection of their nationals here. It seems unfortunate that the restraint so sedulously counselled by the Government at Nanking and so admirably displayed, on the whole, by the bulk of the people, should be discounted by unruly and provocative demonstrations. This is not said with the idea of deprecating, for example, the passing of resolutions in favour of a peaceful settlement of the present issue. It must be recognised, however, that China is not in a position to contemplate warfare on modern lines. Inflammatory appeals to youths who are invited, in effect, to ignore this important defect can be productive only of misery and, in fact, play the very game which would be desired by a country having the sinister designs attributed to it by the authors of the appeals. Students might also do well to consider whether, in engaging in attacks involving physical violence, on the members of their Government or publicly calling—as some specially misguided youths have done—for the "execution" of those political leaders, they are not laying themselves open to the charge of being directly incited thereto by the very enemies against whose actions they consider the Government should have taken more effective precautions.

No one can view the clear signs of growing tension between the Japanese and Chinese with anything but the gravest possible anxiety. The note which the Foreign Office at Tokyo has addressed to Nanking reveals a very serious situation. It is possible, of course, to take the view that the Japanese are unduly stressing the ebullitions to which they take such exception. It may also be argued that, having sown the wind in Manchuria, they cannot be surprised if the whirlwind is reaped in China. There is, however, a very clear test which must be applied by sober opinion solicited for the maintenance of just judgment in this matter. Such opinion cannot be satisfied, by the information coming from Mukden and other places in the North, that the Japanese military commanders have severely limited their actions to the necessities of a purely protective movement. Indeed the strong rebuke administered by Tokyo to the Japanese commander, who announced the termination of all relations with Marshal Chang Hsueh-liang, shows that the obligation of withdrawal, in the light of the Council of the League's expressed desire, will not be easily liquidated. If it be contended that, having invoked force, Japan must be allowed to push that argument to its extreme conclusion then nothing can reasonably be urged against the adoption of any measures, however drastic to oversawe opinion in China. Apart, however, from Japan's association with the League of Nations, such a development cannot be viewed except as a fatal blunder, ultimately disastrous to its author, whatever may be the initial success it acquires.

The Chinese Government have unfortunately not been able to exercise restraint over the student agitators against their policy. They have, however, displayed a

very proper sense of their responsibilities in impressing on the people generally the need for calmness and avoidance of provocative acts. The difficulty arises, of course, in distinguishing between the natural expression of resentment at what, rightly or wrongly, is looked upon as an act of aggression in Manchuria, and those patently provocative demonstrations, by the dissemination of inflammatory leaflets and posters, on which the Japanese have every right to look with anxious severity. It is important that responsible Chinese opinion should consider this aspect of the situation. Discouragement of anti-Japanese propaganda is the essential corollary of China's expression of the readiness to enter into negotiations, with the League watching in the background. The difficulty of China's position will be recognised. She probably cannot help feeling that every action, liable to be interpreted as giving cause for further armed assertion of Japanese power, is in danger at this moment of being magnified and multiplied beyond reason. Still the problem is there and must be faced. Her success, so far, in maintaining a dignified calmness, apart from the ebullitions to which reference has been made, may well encourage her. She is not without friends among the Japanese. There can be little doubt that the Government at Tokyo would welcome a way of expediting a peaceful discussion of the present impasse. The longer the only argument to be employed from Tokyo is the despatch of destroyers, the possible landing of marines or any other purely military gesture, the more inextricably will its users be drawn into an ever-widening slough of embarrassments. There must be clear recognition of this certainty across the Yellow Sea. If China adheres to the conference idea and presses it for early adoption, it is possible that a way of easing the present grave tension may be discovered more readily than the portents at the moment seem to warrant.

CLARIFICATION

Oct. 9.

After nearly three weeks of intense anxiety, over the consequences of the Japanese move in Manchuria, it is possible to detect signs of a welcome improvement in the situation. The statements of responsible Japanese and Chinese officials published in this journal yesterday showed that on both sides there is a real desire to avoid incidents calculated to exacerbate the tension. In particular it was gratifying to note that the Japanese authorities definitely disposed of the persistent rumours that they had the intention of taking the exaggerated step of landing troops in occupation of Chapei. Such a step, in the light of the admitted restraint shown by the Chinese generally, would have been ill-advised and unjustified. It was suggested to some minds by the news of the arrival of additional Japanese warships in the Whangpoo and by the tone of certain messages from Tokyo. It was also considered by others to be the likely outcome of the continuance of the violent anti-Japanese agitation indulged in by less responsible sections of the population. General Chang Chun, as the Mayor of Greater Shanghai, has, in the most unequivocal language, undertaken to put an end to the anti-Japanese agitation and to give full protection to Japanese subjects. Equally firm has been the assurance of General Hsiung Shih-hui, the Garrison Commander, who, after repudiating the idea that there was any animosity against Japanese residents here, pledged the capacity of his troops to maintain the proper protection for Japanese nationals. It would appear that the Japanese Consul-General has displayed a dignity and friendliness which have been met by General Chang Chun with similar qualities, in the course

of their discussion of the situation. There seems to be little doubt that the influences in favour of a rapid approach to the stage of negotiation are actively at work. The great need is to bring into some kind of perspective the events which have produced the present situation and the burst of feeling consequent on those events.

It seems to be well-established that in Japan there is very real anxiety over the action which the military took in Manchuria nearly three weeks ago. The Foreign Office at Tokyo was reported at the time to declare itself "stunned" by the news. Japanese generally seem to admit that the soldiers were deliberately taking policy into their own hands. Presented with an accomplished fact the Japanese Government could not immediately repudiate that action. They took the natural course of supporting it in the belief that thereby they would be able sooner and better to re-establish civilian control of policy. To some extent this attitude has been justified. The necessity for explaining their position to the Council of the League of Nations led to a definite restriction being placed on the soldiers' further movements. It has also impressed on public opinion in Japan the importance of avoiding aggressive measures which might endanger their country's standing with the League. In fact there seems now to have emerged from the Japanese side a very definite denial of any intention to proceed beyond what it believes to be the protection of Japan's economic rights and privileges in Manchuria. Any other attitude would be inconsistent with Japan's membership of the League. Indeed those who would believe that, in this affair, the influence of the League counts for nothing, should take careful note of the scrupulous attention paid by Japan to the League's inquiries on the subject. In less than a week's time the representatives of the rest of the nations in the League will again consider this Sino-Japanese issue. It would certainly be extremely distasteful to Japan if she were forced to meet them in the guise of a wilful breaker of the League's Covenant. There is also this point of material significance: extension of the present demonstration in Manchuria would be difficult without abandoning all pretence at avoiding war. For Japan nothing could be more disastrous than war with China, precisely for the paradoxical reason that, militarily, China could not possibly win or even make a show of fighting as the term is understood to-day, and therefore, having started to make war Japan could not possibly make peace.

On the Chinese side the position, is in a sense, more complicated. There can be little doubt that deep and widespread national resentment has been aroused. It is being exploited, of course, by those subversive elements who would destroy the present Government at Nanking and, equally, the other section of the Kuomintang which favours Canton. These elements see in every difficult situation an opportunity for mischief. They are active to-day but the Government, as General Chang Chun and General Hsiung Shih-hui, for example, have shown, are doing their best to curb their ebullitions. It must be admitted that, considering the experiences of the past, the Chinese authorities have been able remarkably to keep undesirable demonstrations within bounds. The mischief-makers have scored one or two successes. Their efforts have been assisted unconsciously or consciously, by displays of youthful patriotic but misguided fervour finding expression, for instance, in the unchecked victimisation of sellers of Japanese goods. It is believed that the Chinese Government intend to take further and drastic steps to end that futile kind of folly. A great advance towards a suitable solution of this critical situation would be made if the efforts at reunion

with Canton were successful. Nothing could be more consoling to the national spirit at this time of humiliation than the presentation once more of a united front. It would encourage those who fear for the future at this sight of a distraught China, grappling with the misfortune of an estrangement from Japan. It may help bolder and truer assessment of the root cause of the Manchurian issue. Whatever may be the resentment created by the events of September 18 onwards, it must be realised that economic troubles have placed Japanese and Chinese in Manchuria in a similar plight. In the past decade a steady depreciation of the fengpiao currency—the extent is estimated in some quarters at about fifteen times the original par value—has acted as a most oppressive system of invisible taxation. It has incensed Chinese and Japanese alike with the administration of the Manchurian Government. The printing of paper money has been accompanied by expenditure on munitions of war to the detriment of the merchant and agriculturist. There is no talk of secession in Mukden or Kirin. The Chinese in Manchuria are ready to hold his own with the Japanese but he is not altogether displeased at the thought that Japanese assertion of the rights of law and order may enable him to reorganise on sounder lines. Already a sane and experienced committee of public safety has been formed by Chinese citizens at Mukden. They may be trusted to preserve their independence and to vindicate China's rights in friendly cooperation with the Japanese. If, at Nanking, the elements of consolidation and unity are allowed to prosper, the task of disposing of the Manchurian difficulty should not be overwhelming. In regard to the other questions arising from the reaction in China generally to what a strong school of thought even in Japan recognises now to have been a blunder, the Government may be able soon to take a less gloomy view. They will be greatly strengthened if they can speedily end the uncertainty regarding their relations with Canton and the unsatisfactory position created by the vacancy at the Foreign Ministry. In view of the forthcoming meeting at Geneva it seems imperative that this vacancy should be filled at the earliest possible moment. There is undoubted sympathy with China in the present distraction added to her other troubles. It should not be forfeited by a lack of ability to enforce the policy of dignified restraint which has been rightly adopted by the Government. No responsible section of foreign opinion would see in the difficulty with Japan any excuse for modifying its attitude on issues not directly germane to that difficulty. Those issues must stand and be discussed, at the right time, on their own merits. The Chinese Government therefore can go forward undismayed to the tasks immediately awaiting them: first of all to ensure the solidarity of the national authority by which they desire to act and then to restore before it is too late, their traditional and essential friendship with Japan. The effort will demand readiness to compromise and to recognise facts: it will be worth making for further delay in the perilous paths of disunity and resentment may be irretrievably disastrous. That Japan's goodwill in furthering an effort on those lines will be forthcoming can be judged from the lively sense of alarm which the blunder in Manchuria has created across the Yellow Sea. It can also be assumed from the steady sympathy consistently displayed by Japanese nationals in their day to day dealing with the people of this country.

RUNNING AMOK

Oct. 10.

The Japanese Military in Manchuria appear to be running amok. The admission in Tokyo that the original move of

September 18 was made without the approval of the Cabinet is now luridly illustrated by the totally unnecessary demonstration from the air over Chinchow. Yesterday, in these columns, the possibilities of restoring the situation by the goodwill evinced both by Japanese and Chinese official spokesmen were discussed and it was suggested that Japan would be most reluctant to appear on October 14, at the resumed meeting of the Council of the League of Nations, as a wilful breaker of the Covenant. Hopes of a speedy solution must be sadly dashed by this news of a fresh defiance by the military in Manchuria of the principle of civil control. Japan has not declared war on China. No state of war can be said technically to exist. Even if it did exist, it would be difficult to imagine a military necessity which prompted the bombardment from air of a city like Chinchow. The incident appears to be nothing more than a particularly senseless application of the doctrine of "frightfulness," of unhappy memory.

There seems to be a desire at Tokyo to present to the Japanese people a picture of Japanese residents in serious danger of their lives in China. Portentous messages, detailing evacuation of Japanese nationals from various parts of this country, have been conveyed to the League. Although there have been isolated and unpleasant demonstrations, the consensus of opinion among competent foreign observers is that the Chinese have displayed and are continuing to display remarkable restraint. The Government at Nanking have indeed shown much courage in deprecating violent anti-Japanese movements. They have undertaken to protect Japanese nationals. Their officials, as Shanghai, from first-hand knowledge, can testify, have supported them loyally. Reprehensible outrages, such as the aerial bombing of Chinchow, are calculated to test this restraint very highly.

Even now responsible Chinese opinion wisely refuses to encourage any departure from this correct attitude. The Government will do well if they concentrate their energies on preserving a calm demeanour among the people and on presenting to the Council of the League on Wednesday next a strong and reasoned protest. They would possibly be wise to consider whether the original idea of asking for an International Commission should not be abandoned in favour of the more direct method of calling for a report from all the nine Powers signatory to the Washington Agreement. The Japanese Government cannot be blind to the fact that the inexorable march of events in Manchuria, puts them in grave danger of infringing that Agreement. It should be impressed upon Tokyo that, while every recognition has been accorded to the provocation latent in the failure of the Chinese Government to carry out their obligations, the situation is now dominated by a most serious impression of highhanded military action which is in itself provocation far transcending China's original misdemeanours. It is to be hoped that, with the least possible delay, a statement will come from Japan indicating a firm intention to end the usurpation by the militarists of the right to direct—or rather stampede—foreign policy.

SINCERITY WANTED

Oct. 12.

Political negotiations habitually display dilatory qualities. In spite of much eager expectation, nothing substantial has yet been achieved by the earnest seekers after peace between Nanking and Canton. It was announced, during the week-end, that delegates from Canton were awaiting certain messages from Nanking in regard to the procedure for the projected visit to the Capital. The Japanese crisis is held to be a special incentive to the speedy restoration of unity. Yet the

same might have been said, at any time, in regard to the communist menace; it would have been thought that the havoc of the floods would have impressed on patriotic citizens the utter folly of dissipating resources at such a moment of national disaster. But, looking beyond the present communist situation, the Japanese threat and the immediate tragedy of the floods, it can even more cogently be maintained that national unity is essential if China is successfully to overcome the exceedingly grave difficulties which must lie ahead in the Yangtze Valley next year, when the fruit of the flood disasters—utter destitution, enhanced desperation and despair—may be seen in the revival of a communist campaign far transcending any yet known in its formidable challenge to such security as the Government at Nanking can now claim to possess. In the light of this possibility it seems cynically irrelevant for peacemakers to permit the long intrusion of personal prejudices, stubborn notions of prestige and pettifogging arguments to delay their beneficent labours.

Responsible Chinese opinion, looking to these proceedings, is inclined to the belief that they lack the sincerity which is so essential to their success. That there are, both in Nanking and Canton, sincere men, anxious above all things to put China's interests first will be readily granted. The trouble is that they have, so far, been unable to dominate the discussions. Fundamentally, there is little difference between the two groups in their political principles. There are ingrained personal prejudices but they cannot be said to have a clear alignment. In Canton there are men who like A and detest B of the present Government at Nanking; there are others who view A and B in an exactly reverse light. At Nanking similar diversity of view exists. So, with the ingredients of compromise ready to hand, both parties could really come to a satisfactory conclusion if they showed a sincere determination to place national interests first. The Government are criticised for their continued reliance on military forces far in excess of the needs of the situation. It is contended that the maintenance of something like 600,000 troops is not only a crushing burden on finances but it implies a reluctance to permit the elimination of militarist control. It is pointed out that, in the North, senseless expenditure of money on munitions and men has produced the extremity of despair among a cruelly overtaxed population and, when the test of the ability of the machine to resist foreign aggression has been applied, as in the last few days, the troops have been reduced to impotence by the mere wave of a modern army's wand. Unless it be contended that military force is designed for employment against Canton, the argument for disbandment and the dispersal of troops to the useful occupation of rehabilitation of the countryside is irresistible. The maintenance of an army of about 200,000 men under a representative national government is held to be sufficient to meet the communist menace. There can be little doubt that Canton's animosity is largely exploiting the Government's continued reliance on military dominance for political purposes.

The idea of a peace conference at Nanking could perhaps be carried into effect, were consideration given to the position of Canton. The dignity of delegates from the South would not be impaired if it were made clear, by some definite gesture disclaiming the use of the military for political purposes, that the chosen delegates were genuinely entering upon national negotiations. Possibly the request for the presence of Mr. Hu Han-min in Shanghai to meet the delegates may indicate this feeling. On their side the Canton party could usefully create confidence in their bona fides if they would express their readiness to accept any

agreed upon compromise, regardless of personal commitments and prejudices. The events of the last year or so have strengthened the view that the continuance in power of a central government depends on the development of a loose federal system based on provincial autonomy. This would build on the best traditions of the pre-revolutionary regime. It would relieve the Central Government of burdens which, in such a vast country where homogeneity could not possibly be secured, would be beyond the competency of any statesmen in the world to tackle. If, for example, the Central Government were charged with the duty of maintaining national defence on a definitely appropriate scale, conducting foreign relations, administering the customs, manning the civil services and coordinating the administration of justice, they could effectively leave to the Provinces the direction of education, nation-building services, communications, policing and the like. Decentralisation, in this way, would strengthen the work of centralisation, make progress dependent on the individual efforts of each province and ensure that good use were made of the brains of the intelligentsia. It would give to the more advanced provinces the strongest incentive to perseverance in development schemes, thus enabling them to make of their prosperity a valuable example to their less progressive neighbours, instead of embittering both by perpetuating a system, the strength of which could be measured only by the weakest link of the chain. Preparatory to the serious consideration of such a scheme must be the pooling of resources which, in turn, depends on the early conclusion of a firm and honourable political alliance between Nanking and Canton. Both have the ability to compass such alliance. Have they the will? Have they the sincerity which alone can encourage that will to find expression?

MUNICIPAL FINANCES

Oct. 2.

The statements published today regarding the financial position of the Municipal Council of the International Settlement should not lead anyone to suppose that Shanghai has caught the prevailing epidemic of deficits. The Treasurer's report indicates a probable deficit in the place of the surplus estimated earlier in the year. This cannot by any stretch of the imagination be construed as enrolling the International Settlement of Shanghai in the ranks of the distressed administrations which, all over the world, are frantically instituting sweeping programmes of retrenchment and other desperate expedients for balancing budgets. This view can be readily substantiated by reference to the pivotal proposal to raise the present rate of 14 per cent. to 16 per cent. as from April next. In other words the ratepayer will be back in exactly the same position as he or she was in June 1930. It will be at once agreed that there can be few administrations in the world which, during the period over which the lower rate has been maintained here, have been able to carry on their services without appreciably increasing their taxation. Even at the new—or rather the reversion to the old—rate Shanghai will remain one of the lightest burdened administrations in the world. The reason for the present announcement is seen clearly in the effect of the continued depression in silver on the Council's disbursements. There is no sign of any panicky effort to meet the situation. A carefully thought out plan of adjustment of the finances to the needs of present conditions is presented. The expenditure of the Council is to be strictly reviewed. The Treasurer has, in effect, gained the Council's approval of the view that, while no ruthless and harmful curtailment of departmental activities is to be attempted, there should be a de-

finite check placed on certain programmes. The Council intends to go slow rather than abandon schemes.

When the ratepayer is faced with a demand for increased payment he naturally must ask whether he considers the demand justifiable, as he would do if asked to spend more money on any commodity that he was in the habit of buying. It will seem that the ratepayer of Shanghai can congratulate himself on the fact that he will be merely be put back to the position he was in, less than fifteen months ago. Yet he is provided with a Municipal service which, when all allowance is made for the proper exercise of the inalienable right of grumbling at such a service, compares favourably with the best in the world. There are, of course, many things which he would like to have. There is that perennial question of the Town Hall. There is that development of the health services to which Mr. Justice Feetham has recently referred. The woman taxpayer has also her views on amenities which she considers should be provided. The Council has taken the line that it is essential to proceed cautiously, to conserve its tangible resources and to eliminate anything which is likely to lead to expenditure beyond the power of control, in the face of unexpected complications. It is satisfactory to observe that whatever retrenchment operations are to be imposed, the Council realises the importance of keeping its splendid police force up to the present standards of efficiency and, indeed, to make the enhancement of that efficiency the chief aim of its police policy. Its programme of social service expenditure is not scrapped but slowed down. Its capital programme has to undergo the same process. This is commonsense. It avoids heroic measures for no situation has arisen demanding such measures. It simply sets out to adjust its finance to the needs now arising and likely to arise in the near future.

In this respect there is an important development of policy. As the full effect of the reversion to the 16 per cent. rate cannot be felt in time to meet the difficulty created by the fall in silver, even after retrenchment operations have been put into effect, the sums of £6 millions in 1932 and 1933, accruing from the sale of the Electricity Department, instead of being applied, as hitherto, to capital projects, will be held in reserve as a kind of equalisation of rate fund. This will, if necessary, be applied to the liquidation of any deficit but repaid to the fund in which it is held when the full benefit of the 16 per cent. rate is felt. This necessarily leads to the adoption of the principle of proceeding by way of loan for carrying out the capital programme. The soundness of this will be admitted. It is an admirable way of testing the credit of Shanghai, in the light of the present situation. It enables those who are anxious for the Council to adopt a progressive policy of capital construction to back their opinions in the most practical way by supporting the loan programme. There are many who have been urging the Council to embark on a grand plan of financing by public loan. They forget, perhaps, that this necessarily must involve increased taxation on account of the interest charges. There is no reason, however, why, with the gradual advance of Shanghai, a cautious and conservative loan policy should not be reinstated. This the Council clearly have in mind. It desires, however, to make it a test of public confidence. The freedom of the Council from burdensome debt is attributable in no small measure to the sale of the Electricity Department to which the Feetham Report so appreciatively refers. By this transaction the Council has created a position in which, at a time of world-wide economic distress, the Shanghai taxpayer still has to pay an exceedingly low rate for

its municipal services. Moreover Shanghai can face the future with the comfortable knowledge that by the exercise of the ordinary principles of cautious finance there should be no undue strain on its resources and no curtailment, but only a prudent slowing down, of its progressive activities. The departments may be relied upon most loyally to address themselves to the task of retrenchment. It will not be easy; no cutting down process is. They are fortunate in being able to tackle it without the hectic pressure of abnormally adverse economic conditions such as are obtaining in other less favoured administrations.

MUNICIPAL CONCERTS

Oct. 12.

The American Players, with their successful production at the Lyceum Theatre, can claim to have given, in light-hearted fashion, the start to the winter season in Shanghai. They will not however be surprised if, by many, the resumption of the Municipal Orchestra's Sunday Concerts last evening—at the Carlton Theatre this time—is held to be an even more definite sign of the passing of summer. Maestro Paci is basking in the honour of conducting, during his temporary absence from Shanghai, a symphony orchestra in his beloved Italy. Under the leadership of Mr. A. Kryger, who has successfully conducted the open-air concerts in the summer now past, the Orchestra has given its first Sunday evening programme to the delight of a good house. The event deserves special recognition. The Orchestra renders to the community services which are not always appreciated in the proper perspective. The fault is not entirely with the Philistines who enter into a cheerfully reckless alliance with the penny wise and pound foolish brigade of economists. The music lover to whom the art of the Orchestra makes a special appeal is apt to be intolerant and unreasonable in flaunting the banner of his or her devotion. Hence, round a perfectly ordinary amenity of municipal life, there occasionally rages a controversy creditable to the good sense of neither party.

Financially, the maintenance of the Orchestra is not worth a moment's discussion. The elimination of that item of expenditure from the Council's budget would make no ratepayer sleep more easily at night. Discussion of the possibility of replacing the regular band of musicians, collected and maintained by the Council with much judgment and no little expense, the benefit of which would be completely dissipated were the Orchestra abandoned, is really irrelevant. The military bands, of whose services Shanghai is always glad to avail itself, are here to-day and gone to-morrow. They vary greatly in their musical attainment. They can not possibly assist in preserving continuity of musical policy. There are other reasons why, with all their undoubted excellence, they could not adequately fill the place of the Orchestra. Threatened men live long. The threat to disband the Orchestra once reached a serious pitch. The "North-China Daily News" likes to recall the fact that the personal appeal of one, who then directed its policy and who spoke on music with a special authority, unavailable now, averted the danger. It likes to believe that the danger will not recur, if only because the force of that appeal is still remembered and respected.

Indeed the remarkable success achieved by the Orchestra last season should finally disabuse the Council of any idea that their enterprise and solicitude for the cultural amenities of the Settlement are not appreciated. Audiences, in which the increasing attendance of Chinese music-lovers has been specially noted, have been delighted by the varied and well-selected programmes submitted and executed each Sunday evening. It is well that, in an arid expanse of

monotonous tinkling, jangling and thumping, this oasis of harmony should be maintained by the authorities responsible "for the better order and good government of the Settlement." The fervent admiration of professed music lovers for the Sunday evening concerts has perhaps discouraged others who, although amenable to the influence of music, do not venture to lay claim to esoteric taste, from taking advantage of the opportunities afforded by these Concerts. Let them lay aside their diffidence. They will find the Orchestra capable of giving them a message as surely as to those to others. The old friends of last season have renewed their devotion. And new friends of a surety will be added to their number. All that remains is to wish Mr. Kryger and his colleagues a very successful season which will, no doubt, be fully earned by their maintenance of the high traditions already established.

THE PACIFIC CROSSED

Oct. 7.

In June 1919 Sir John Alcock and Sir Arthur Whitten Brown—their knighthoods accrued from the feat—made the first non-stop flight across the Atlantic from Newfoundland to Ireland, a distance of 1,890 miles. On May 21, 1927, Colonel (then Captain) Charles Lindbergh, flying alone, made the second crossing but with a "jump" nearly twice as long, from New York to Paris being a distance of 3,639 miles. Although the Atlantic surrendered to airmen, the Pacific stubbornly refused to follow suit. Messrs. Brock and Schlee in 1926, had the intention to continue their flight from Newfoundland to Japan by making the full circle of the globe. They were dissuaded because, at the time of their arrival in the Far East, having done a most remarkably rapid flight up to that point, there was much public uneasiness over a succession of aerial tragedies. The width of the crossing necessarily made the feat of conquering the Pacific a greater strain on the endurance of the man and the machine. It is not surprising that, hitherto, the Pacific has remained inviolate. Now, almost unexpectedly the breach in its defences has been made. Messrs. Clyde Pangborn and Hugh Herndon, who a few weeks ago made a gallant but unsuccessful attempt to fly round the world and, later, experienced the political difficulties of dropping from the air into a strange country, have suddenly intimated their intention to fly from Tokyo to their native Washington State and have done it.

There is poetic justice in their performance for it enables them satisfactorily to fill their coffers to an extent more than compensating them for their pecuniary loss in Japan. Not the least gratifying feature of the adventure was the appearance at their landing of the representative of the Japanese newspaper "Asahi" with the cheque of their guerdon duly presented. The "Asahi" has distinguished itself by its active encouragement of aviation. Its generous offer of a substantial prize for the first flight across the Pacific was a signal feature of this policy. The staff work which enabled the newspaper, on the arrival of the intrepid young American airmen at the picturesque named and located Indian town of Wenatchee, at once to discharge its voluntarily assumed obligations deserves special notice. It marked Japanese punctiliousness and courtesy to a high degree.

Congratulations have also gone from the Japanese Foreign Minister to Washington. The crossing of the Pacific does not in itself mean more than the performance of a difficult and daring feat. That is always worth attempting. The time may be still far distant before regular air-services can be established. Even on the shorter

route across the Atlantic the institution of such services has not emerged from the preparatory stage. Mr. Pangborn and Mr. Herndon have vindicated their right to a niche in the air-men's temple of fame by reason of their removal of yet another well-defined air-route from among those where pioneers had hitherto failed to conquer. The manner of their performance commends them to the approval of everyone. They had met with a succession of unfortunate set-backs, for which they could hardly hold themselves entirely responsible. They have emphatically built their victory on disaster with a gallantry and youthful confidence which have been completely convincing. The Pacific, obstinate in its majestic vastness, had resisted others in the air. It could not but acquiesce when confronted by those qualities. From the blooms of fair Japan to the apple groves of rain-drenched Wenchatjee the airmen sped and conquered. Congratulations to them will go from every admirer of skill wedded to audacity.

THE REPUBLIC

Oct. 10.

Celebration of the 20th anniversary of the founding of the Chinese Republic must to-day, unfortunately, give rise to ironic reflections. Yet it would be slavishly permitting the occasion to be overcome by the mood of the moment if not even a passing note were made of the event. For the revolution of 1911, for good or ill, put an end to a system which, for three hundred years, had governed the destinies of China. The change, like all others of its kind, was accompanied by eager hopes which were bound to meet with disappointment. The very character of the revolutionary movement brought to the front men all of whom could not be expected to display that balanced judgment which would successfully shorten the travail of national self-expression. The sweeping away of an experienced official class which, for all its shortcomings, had been able to maintain a strong and, for many decades, a stable administration, left the infant Republic a prey to the untutored enthusiasm of tyros and the self-seeking ambition of militarist tyrants.

So, looking back on the glowing dreams of twenty years ago, there must naturally be grievous disappointment and much heart-searching. From outside China has been fortunate in meeting little but intense sympathy and toleration in her new experiment with dangerously explosive ideals, with which the West had long and, oftentimes, bitter acquaintance. It was recognised that impatience was ever the mark of the ardent revolutionary's zeal. The men who could plan the overthrow of a dynasty were not necessarily competent effectively to assume the responsibilities which had been discharged on behalf of that dynasty by a highly-trained and tested body of administrators. Their search for guidance led them into difficulties which, by temperament and intellectual equipment, they were unable rapidly to overcome. They were endeavouring to introduce a completely new system of administration, education and social organisation into a country peculiarly wedded to conservatism. The clash between the products of this new system and the older school was bound to delay progress and stimulate the activity of fissiparous influences. It introduced into family life grave disorders inimical to social progress. It inevitably accentuated the tendency to seek for explanation of the slowness of the national response to a national call in the imagined hostility of external forces. So patriotism impatiently assumed the fallacious mask of resentment against the very institutions which had inspired the revolutionary ideals in their highest form.

Yet progress has been made. The militarist still dominates

the scene but his dependence on civil support has at least compelled him to respect, if at times too perfunctorily, the principle of civilian control. Indiscipline in youth still shows itself too persistently. The evils of its unchecked exuberance are however being more generally recognised. The slowness of the process of consolidation has given rise to much agitation as hostile to the revolutionary regime as that regime was to its predecessor. For all that a National Government, in spite of secessions and defiance of its authority, has managed to maintain the appearance of functioning and, with the recognition of the Powers to attain to a position which, if wisely used, should make discovery of an alternative administration more difficult to attempt. At this time there is on foot a movement intended to restore between the Centre and the South that political unity which was destroyed mainly by undisciplined eagerness rather than by any real divergence of view on fundamental issues. Whether this reunion is possible cannot even now be definitely asserted. The peril from without—from the East and from the West—provides a strong incentive to achieve it. Taking a hint from the events of the last few months, it would seem that reunion, leading to eventual consolidation, could best be secured by taking into account the merits of some loose form of federalism. Progress under a centralised system must necessarily be hampered by the varying degrees of advancement obtaining in the component parts of that system. Once freedom is given to homogeneous units to proceed to self-expression within themselves, while preserving a national link with a lightly guiding central authority, the dangers of local setbacks become immeasurably reduced. For it would be tragic if, after jettisoning old institutions, the accepted excellences of the new went for nothing. There has been in the last twenty years a definite improvement for example in the training of the people. A new type of official is slowly making himself felt—in some provinces more surely than in others. There is, in the seat of authority, a spirit which daily combats with the still too powerful motives of selfish aggrandisement and enrichment. There are forces prepared to grapple with the demons of corruption, nepotism and indifference to the public weal. In the crucible these various elements of good and bad are being tested. On this day it is fitting that China should hope for her successful emergence, in due course, as a strong and united nation to whom the world may look with confidence and friendliness. The effort required is by no means slight; it depends mainly on the rejection of those excremental weaknesses which find expression in futile dissipation of strength on such irrelevances as anti-foreignism. It demands concentrated application to the task of bracing up national self-discipline. In this endeavour the Government and people of China have the good wishes of all.

THE CONTEST

Oct. 13.

It looks, on the face of it, as if the unfortunate British public is to be overwhelmed with a variety of Parties in the course of its adventures of the next fortnight. The election will, however, be less prolific in the matter of individual candidates. Only about 1,200 men and women are to be nominated as against some 1,700 in 1929. But the possibility of confusion between Conservatives, Liberals and Labour with their National variants and the "fancy" parties such as the New and the Communist Parties is great. So far there has been little to show that the New Party will require more than a two-seater to carry itself to Westminster. Even that may not be necessary. The Communists at the last election

mustered 25 candidates, 21 of whom forfeited their deposits; they polled a total of 50,622 votes. This time the difference between them and certain sections of Mr. Henderson's following may have been narrowed so that they may improve on that rather doleful record, although there is precedent to support the view that they may suffer from the fact that sympathisers with them can indulge their predilections on more orthodox lines. The efforts which the National Government supporters have made to reduce the number of three-cornered fights are satisfactory. Specially appropriate is the protection of Labour stalwarts who have remained loyal to Mr. MacDonald from the danger of a split vote. Characteristic is it of some of the extreme right of the Conservative Party that they should strain at the Liberal Free Trader gnat, while swallowing the Labour camel. It must be regretted that Mr. Baldwin has not been able to bring Darwin to reason in this regard. Sir Herbert Samuel's services to the country deserve a better fate than exposure to the pompous impertinences of the bouncing baronet of Bournemouth. Sir Henry Page Croft belongs to that school of Conservatism which arrogates to itself the sole patent of patriotism. He has been a thorn in the side of his leader before now; it is unfortunate that he should think it necessary to interfere with Darwin—a constituency in which China has a remote interest because the unsuccessful Conservative candidate at the last election, Sir Frank Sanderson, was one of the first importers of the soya bean into England.

The most piquant feature of the situation is, naturally, the part which Mr. Lloyd George proposes to play. It is easy to see that he and Miss Megan are rapidly preparing for the adoption of the Socialist creed. The secret of the Liberal Leader's move may be discerned in his probable conviction that Mr. Henderson has not the slightest chance of winning. Therefore in his fear lest the Conservatives should loom too largely in the new administration Mr. Lloyd George is leading his followers to the polls, with the sympathetic neutrality of the Labour Party secured, in order that he and they may possibly arrive in the enviable position of being able to hold some kind of a balance in the new House of Commons. The hope may be wild; it has this solid advantage: if it be fulfilled, the Lloyd Georgians will find no difficulty in being merged in the Labour opposition where they could possibly exercise more power than if they were returned to be a small minority among a mass of Conservatives. It may be objected that Mr. Lloyd George is not thinking very much of the national interests and quite a lot of his own. But then, except for the days when he was a Coalition Prime Minister, he has not been conspicuous for any other kind of thought. He has consistently disgusted the members of the once great party of which he is the titular leader so that it has been whittled down to negligible proportions. He has never been swept into office on the strength of his leadership of it. His present attitude may well portend its complete disappearance after the present election.

Although the main issue whether the National Government will be returned to power in sufficient strength to enable it to perform satisfactorily the task which it has begun, is really the important point to be considered to the exclusion of all others, it is natural that it should be apparently obscured just now. The conditions attending a General Election must bring to the fore the tactics of party leaders, the programmes of contending candidates and the various personal considerations which, in all kinds of guise, have their place in swaying the judgment of the electors. There are, of course, many men

and women who have already made up their minds, who will not attend a single election meeting, who will blankly stare at the hoardings shrieking out the command to vote for someone or other, who will or will not read the leading articles telling them how to make their choice. They are precisely the class which drives the party agent to despair. They may vote or they may not. If they decide to vote their decision quite easily may upset the forecasts, even of the wise men who have been right at every previous election. It is possible to believe that the coming election will not be marked by the apathy which, in 1929, kept nearly 6,000,000 voters from the poll. Meanwhile, as soon as the nomination days have passed, and the success of the National Government candidates in avoiding three-cornered contests is completely assessable, it should be possible to examine with some degree of confidence the course which the election is likely to take. There are, however, several reasons for being hopeful. The reports coming from private sources indicate a widespread belief that the nation is well braced up to the ordeal of working for its own salvation. The specious arguments of the economic pandits who would play on the notion that capitalism has failed, have their obvious attractions. At heart, however, the British working classes are conservative—too conservative sometimes, as those who would incite them to successful emulation ruefully admit—and they may be trusted to weigh up the situation in remorselessly sane fashion. The Trade Unionists' discipline will be a factor adverse to this consummation. The Trade Unions, however, cannot account for more than about 2,000,000 of the late Labour Party's supporters. The total membership of all Trade Unions, whether within the fold of the T.U.C. or outside, is a little under 5,000,000. The National Government indeed should be in good heart. Mr. MacDonald brings

them 20 supporters. If—ignoring by-elections—they hold all the 260 Conservative seats accruing from the last election, in addition to 20 National Liberal seats, they then get a total of 300. The 267 Labour seats are not likely to remain in their present state, owing, among other things, to the elimination of the split vote. There remain Mr. Lloyd George's 20 and Sir Herbert Samuel's 20. Giving half of each to either side and crediting Sir Henderson with the retention of 200 seats, the new Government should manage to return to Westminster with something like 387 seats as against the Labour-Lloyd George unholy alliance of 220, leaving 8 seats for the "fancy" parties to divide among themselves at will. This must necessarily be a very rough guess at the present state of information available. Revision of it can be attempted as the polling day draws near.

KoXg Pao-seng, a member of the Ministry of Finance Anti-Smuggling Corps, committed suicide by shooting himself on Wednesday afternoon. He left no letters but his friends stated that, being a native of Mukden, he was greatly depressed because the Japanese had occupied Manchuria. His superiors think that the man killed himself as an expression of his grief for the nation in its present crisis.

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77 NANKING ROAD

NEWS FROM THE OUTPORTS

NEW MEMORIAL FOR DR. SUN Dedication of Huge Auditorium Takes Place in Canton

Built at a cost exceeding one and a half million taels and capable of accommodating no fewer than five thousand people, the huge and magnificent memorial auditorium for the late Dr. Sun Yat-sen in Canton was formally dedicated by Mr. Sun Fo on October 10, on the occasion of the Double Tenth Celebration (China's National Holiday), thus marking another milestone in the history of Chinese nationalism.

North and south have their memorials to the man who founded this vast Republic. At Nanking, on the slopes of the Purple Mountain stands the beautiful mausoleum of the late Kuomintang leader. In Canton, the home of the Chinese revolutionary movement, with memorial and civic centre combined, the southern monument is now complete and it stands amid more sophisticated surroundings fronting Central Park.

The designer was the late Mr. Y. C. Lu of Messrs. Y. C. Lu and Poy G. Lee, architects, of Shanghai, who was proclaimed winner of the competition which was open to architects throughout the entire country.

Begun in March, 1928, this memorial, built in the form of an octagon and symbolizing the "Three People's Principles" and "Five Powers" construction programme of Dr. Sun, is occupied by a vast auditorium capable of seating, comfortably, five thousand persons, which makes it the most commodious building of its kind in the Far East.

Placed in a setting of lawn and shrubbery, the new Sun Yat-sen Memorial Auditorium will, when completed, present an appearance of rich colouring, fine proportions and imposing design. The first glance will reveal a gleaming blue glazed tile roof, somewhat similar in inspiration to that crowning the Temple of Heaven or the Fo-Hsiang Temple in Peking, but outstanding in form and resting on groups of pillars in traditional Chinese scarlet.

It will be noticed that throughout the design and fabric, the science of the west has been brought into harmony with the aesthetic ideas of the east. Thus the pillars which form one of the principal features of all Chinese buildings of note and traditionally made from teak painted in vivid red, are here composed of artificial stone, into which the scarlet pigment has been introduced.

Ceiling decoration, which likewise plays so large a part in the scheme of Chinese temples or memorials, finds its place here too, but, again, instead of hand-coloured wooden beams being used, tinted artificial stone is requisitioned. The windows of delicate tracery, freestone alone, are of wood, following the time-honoured style of the country.

In front of the auditorium, on the east and west sides, are erected two wrought-iron flagpoles, 80 feet high. In the centre stands a bronze statue of Dr. Sun in heroic proportions. This looks over an immense forecourt which, lighted up by flood lighting at night, has standing room for 100,000 people. Bronze bells hang from the curving eaves. The floor within the auditorium is to be of multi-coloured art mosaic, while the gallery running in a circle round the inside of the dome, is finished with a balustrade of finely wrought artificial stone. A ball of gold gleams as a final at the apex of the roof. This point is 100 feet from the ground, while the cross span of the dome is no less than 140 feet, the entire road resting on cantilevers, not a single column or support of any kind being visible within the spacious auditorium.

Over a million and a half taels are to be spent on the erection and completion of this imposing structure, the scheme of which includes the laying out of 120 mow of rising ground, lawns and carriage drives surround the main building and, after traversing these, the visitor reaches a long flight of steps, while the eminence known as Goddess Hill, or Kuan-yin shan, on the summit of which is being constructed a memorial monument for the deceased leader.

The latter, reminiscent of the pagoda of older days and constructed of imperishable granite, will be flood-lighted at night, as will be the main auditorium. Minor pavilions also included in the scheme will house a lecture hall and a museum of Dr. Sun's relics.

The section of Canton in which the memorial is situated is undergoing extensive remodelling, two new roads being laid out as part of the ground plan of the memorial. A fine view of the entire City of Rams, to the mouth of the Pearl River, as far as the Boca Tigris Forts, is obtained from the top of the great commemorative monument.

A memorial service will be held each week in honour of the deceased leader, but the auditorium will also be put to more secular uses, the intention being to utilize the spacious hall as a civic centre in which lectures may be given and dances and other social gatherings held.

Shanghai has taken a leading part in the construction of the memorial hall. As stated, the late Mr. Y. C. Lu, considered to be one of the most brilliant Chinese architects of the day, was the designer. His colleagues, Mr. T. P. Wong and Mr. Poy G. Lee, R.A., architects, supervised the architectural designs; following his demise Mr. G. Tsuy, C.E., and Mr. C. H. Chiu, C.E., superintended construction; the general contractors were Messrs. Voh Kee & Co., Shanghai; the electrical contractors were Messrs. Andersen, Meyer & Co., the heating and plumbing arrangements were in the hands of the Asia Union Engineering Co., of this port; and, what is of considerable interest, 400 Shanghai workmen were sent especially to Canton to carry out the work, while all the structural steel used in construction was supplied by Messrs. Andersen, Meyer & Co.

Great credit is due to Messrs. T. P. Wong and Poy G. Lee, not failed to "carry off" the dream and vision of a great architect that is now a monument perpetuated in concrete and stone dedicated to the name of Dr. Sun.

TEN THOUSAND AGE BRIDGE

Enlargement of Famous Bridge at Foochow

FROM A CORRESPONDENT

Foochow, Oct. 2.

In Foochow itself things remain quiet enough. The recent events in Manchuria have of course attracted considerable attention, and meetings of all sorts have been held, but so far as an outsider can judge, business is going on as usual. Schools are in full work, and except for one day spent in anti-Japanese demonstration, there has been no interruption.

The inconvenience attending the enlargement of the Bridge of Ten Thousand Ages is soon to come to an end, and by the "Double Tenth" the Bridge is to be open to vehicular traffic. This will be a great blessing, but one cannot help thinking that in a very short time it will be found necessary to widen it again, in view of the rapidly increasing number of motor vehicles which are now in evidence everywhere. There is a suggestion to build another bridge a little higher up, and perhaps that may be better.

Up-country the situation seems on the whole to be better, but a great deal of banditry is still reported from almost every district and travelling is still accompanied with considerable risk.

AMERICAN MINISTER MARRIED

Peking, Oct. 10.

The wedding of Mr. Nelson T. Johnson, American Minister to China, and Miss Jane Beck of Cody, Wyoming, took place in Tientsin this evening at the residence of Mr. F. P. Lockhart, American Consul-General.

About twenty friends of the couple were present. After the ceremony the couple caught the train for Peking and are expected to arrive here late this evening.—Reuter.

BUDDHIST PRIEST LEADS CAMPAIGN

Anti-Japanese Movement at Kaifeng

FROM OUR OWN CORRESPONDENT

Kaifeng, Honan, Oct. 3.

The famous Buddhist priest 'Tai Hsu Fa-shih is in the city on his way from Peking to Sian-fu, where he goes by invitation of the head of the Government of Shensi, to lecture in the University on Buddhist affairs. The fame of a priest has long preceded his arrival in the city, and he is fully booked up for lectures while he is the guest of the city.

The reading people know that he is also about forty years of age and has had a very distinguished career, as writer and organizer of the Chungwa Buddhist Association. The man on the street attributes to him many of the magical powers that were attached to the boxers of thirty years ago. For instance he is over four hundred years of age in reality, and having proven thus impervious to time, as was the Wandering Jew, he has also the power to fend against all dangers that threaten him. He can by a twitch of his little finger bring down an aeroplane in its flight over the city, and is in truth here on a mission from the President to organize the city and province against Japan.

Our locality has, however, not waited for such a celebrity to come and organize its citizens against the well-anathematized enemy. There is already a Provincial Anti-Japanese Association, which has already instructed the Party headquarters in all the counties of the Province to organize branch associations. A very intensive campaign of propaganda against the Manchurian attackers has been waged for the past ten days. Not only are the Party and Government officials active in this campaign, but the motion picture theatres are also utilised in depicting the infamy of Japan, in her attack on China's northern provinces.

By permission of the Government and the Party headquarters professors of the University are being used to carry on lectures in the public areas of the city exposing, what is assumed to be Japan's objective in this invasion of Manchuria.

On the morning of October 1 all students of Middle Schools in the city paraded the principal streets of the city, eventually going to the Provincial Party Headquarters and to the Government quarters with the following petition, under ten heads.

1. That the Japanese should be immediately driven out of Manchuria.
2. That conscription should be employed to add to the National Force.
3. That War Indemnities should be assessed on Japan.
4. That the Middle School students throughout the whole country should be supplied with arms and trained for war.
5. That the Central Government should sign no treaty with Japan that will alienate any of China's territory or bring dishonour on the country.
6. That Civil war should cease and that a united front be presented to Japan.
7. That the whole military force of the country should immediately be mobilised against the invaders.
8. That the Central Government should take the country into its confidence.
9. That Friendly Countries should be requested to supply munitions.
10. That the Minister for Foreign Affairs and the authorities of the Three Eastern Provinces should receive adequate punishment.

It is understood that the two bodies petitioned not only agreed to these ten points, but that they have already been despatched to the Central Government. It is also understood that the Government Provincial College students and the students of the First Middle school of this city are to be armed and put under military training. The students of the city schools are very eager for propaganda work. Already since the September 20 there have been two days of school time devoted to this patriotic endeavour, and every afternoon groups of boy and girl students may be seen carrying flags through the streets, with banners telling of Japan's crimes against the country.—Reuter.

HIGH POST RATES CRITICISED

80 Cents on Cabinet Photo from Chungking to Kueiyang

FROM OUR OWN CORRESPONDENT

Kueiyang, Kueikow, Sept. 19.

As a rule, one can only think of the Chinese Post Office with pleasure as a well-run Government concern, and it is not agreeable to criticise it. But it is not perfect and we have recently had an illustration of this. A cabinet size photograph reached us from India for which we had to pay 80 cents Mex, being parcel post charge from Chungking to this city; the weight was only 10 oz. It seems to be unreasonable that any charge should be made on what was fully post-paid by the sender. But 80 cents for 10 oz. This is rather too much of a good thing. Had it been sent to Chungking by post and from there sent on here by coolie hong, the cost would have been but 10 cents, according to their regular charges. There is room for improvement in this respect.

I am informed that at long last the military authorities here agree to the general public sending wireless at the rate of 24 cents per word, but it is required that the message be first taken to the military headquarters and paid for and then to the wireless office. Let us hope that ere long it will dawn upon those responsible that it would be more businesslike for them to place someone at the wireless office (which is under the military authorities' control) who can receive payment and pass the message on without delay to those who forward the messages.

TORTURE ON THE YANGTZE

Militia Spear Men to Death near Hankow

Seeing six men speared to death was one of the sights witnessed by a ship's officer from the bridge of a river steamer last Friday, according to information received here on October 8.

The steamer, which was coming down the river from Ichang to Hankow, passed close to the bank near the village of Sin-ho-kou and from the bridge the officer of the watch noticed a crowd of some hundred men armed with spears and obviously some form of militia gathered on the grass near the water.

In front of them, tied and spread-eagled on the ground, were six men naked to the waist, and rough justice was being performed on them in the shape of spears being thrust into their flesh by three of the militia.

So near was the steamer to the side of the river that the observer was able to see the blood gushing forth after each stroke. Time and again were these spears buried in the wretches until life appeared to be extinct. The village appeared to be in the hands of the Nationalist soldiers but though they were in the vicinity they made no attempt to interfere. Later the officer saw six headless bodies in the water.

JAPANESE CABINET DIFFICULTIES

Minister of Finance Insists on Economies

Tokyo, Oct. 7.

Rumours are in circulation here to-day regarding political manoeuvres behind the scenes which will possibly affect the life of the Cabinet.

The Government is known to be facing serious difficulties in balancing the Budget, as certain ministries are strongly opposing certain economies which the Minister of Finance, Mr. Inouye, insists are essential.

It is freely hinted that the Minister of Finance may resign rather than give way, though Mr. Inouye himself is reported to be confident that a way out of the impasse will be found.

From an international standpoint, the main interest rests in the fact that so long as Mr. Inouye retains his portfolio, there is no likelihood of Japan returning to the ban on the export of gold, but if he resigns there is a possibility that the embargo will be reimposed as there is a growing movement in favour of such a step in other quarters.—Reuter.

HAICHOW A CITY OF RUMOURS

Japanese Invasion Seen in Every Action

Haichow, Ku, Oct. 2.

In a letter from Shanghai, just received to-day, appears the following sentence: "Our papers to-day are giving an alarming report of gunboats and troops of the Japanese Navy having been landed at Haichow." The Chinese on the streets to-day stopped me several times with the same query, "What about the Japanese gunboats and the Japanese marines who have landed at Haikou" (the port of Haichow). My reply in each case was: "Where did you get your information?" The replies did not vary one bit, each one said, "Oh, we saw it in the papers."

As a unique display of the wild and riotous use of an unbridled imagination this baseless rumour takes the prize. Some imaginative artists are evidently using some of the news agencies to produce the impression that this place is being attacked by the Japanese, and that their troops have already been landed here for the purpose of taking the place. The last few days have produced a bumper crop of rumours, each wilder than the last. The effect of these rumours and the unconscionable amount of miscellaneous and useless misinformation which they have purveyed, has been to put the people into such a state of nervous expectancy that every ship that appears on the horizon must be a Japanese gunboat, every soldier seen in the distance must be a hostile Japanese marine, every zoom of an aeroplane overhead must be the beginning of a Japanese aerial attack. When all the violent rumours born of the excited imaginations of the overwrought populace are boiled down, the essence of real truth to be derived from them is just exactly nil. So far nothing has occurred here in Haichow to indicate that the Japanese have any designs on the place.

This morning, about eleven o'clock, two aeroplanes came over this way. I saw one of them as it slowly circled around Haichow City twice, then flew on its further journey. Others saw both of them fly over Hsin, the city about four miles from Haichow. One of these slowly circled over Hsin for some time before going on its way. The one I saw had some red on the tail and seemed to be grey coloured in the body of the machine with what looked like bright aluminium over part of it. Of course the people immediately said it was a Japanese machine over here scouting in preparation for their attack. The suggestion that it might be a Nationalist Government machine on either investigating the extent of the floods in this district for the benefit of the dispensers of famine relief or doing some scouting on behalf of the general staff of the army, did not meet with any favour at all. To the eyes of all it appeared as a hostile scouting plane. It would be most interesting to know just what the two aeroplanes were doing over here. For the last several days, aeroplanes have been over here a number of times.

As to the flood situation in this section, the conditions vary very much. In several large areas all the bean crops were destroyed by the floods. In some of these sections, the floods have now receded and the land is ready for the planting of the winter wheat. In other sections the rice as well as the bean crop was destroyed, and in still other places the wheat crop was destroyed before it could be harvested. The sections in which the greatest distress is prevalent, are those in which the spring crops were destroyed and the water is still on the land thus preventing the planting of the next crops. The army of sufferers in this section is going to be large and the winter is going to make life miserable for multitudes who are not going to have food and clothing.

ANOTHER PRIEST CAPTURED

Hankow, Oct. 6.

The Catholic Mission headquarters here received news this evening of the capture by Communists of Father P. Turk, a British subject. Father Turk was taken at Sinkow, a small town about 35 miles from Hankow up the Han River.

No news has yet been received as to whether his captors have demanded ransom for his release.—Reuter.

FLOOD EFFECTS IN WU-HAN

Plague Expert's Report on Inspection: R.A.F. Help in Survey Work

The cholera situation in Wu-Han has been much exaggerated, commented Dr. W. Lien-teh, Director of the National Quarantine Service, who has just completed an inspection of the Yangtze ports. The flood waters had receded in Hankow, and the Bund was already clear, Dr. Wu said. The relief work, medical and non-medical, is well in the hands of the National Flood Relief Commission and various charity organizations.

Dr. Wu Lien-teh left here on September 26, and during his sojourn in Hankow, visited various refugee camps, where approximately 80,000 people are being cared for. In an interview with a representative of the "North-China Daily News" on October 5, he said he was greatly impressed with the courage and vitality of the sufferers who are ever eager to return to their already ruined farms; the forethought of the Central Government in taking similar drastic steps in medical relief work; and the efficiency of the medical and sanitary workers in the flooded areas.

"From Chinkiang onwards," he said, "the effects of the flood were evident, numberless huts which were formerly situated on the river banks being now largely covered by water up to two or three feet below the roofs. Where the water has receded, the supporting beams with no walls could be clearly seen, the latter having broken down or been removed wherever possible to a place of safety to prevent the complete building from being washed away. The city of Wuhan is still largely covered with water, only the elevated places like the Methodist Mission Hospital being saved."

Dr. Wu arrived at Hankow on September 30, when water had receded to 45 feet. He said the Bund was already clear. The mark of the highest water level, namely 53 feet and 8 inches reached on August 18, was still being marked on every wall. Already in the Special Areas and the French and Japanese Concessions, the mud and other debris had been largely carted away and signs of activity were evident particularly in the Chinese city, he said.

Among the refugee camps Dr. Wu visited were those at the Papoda Hill, Wireless Station and Meifu-shan (Wuchang), Black Hill (next door to Hanyang Arsenal), and Jardine Godowns (Hankow). Match-sheds have been erected in every available piece of vacant land. About 80,000 people are receiving relief.

"At the famous Black Hill, which was really a burying ground on the right bank of the Han River," Dr. Wu said, "refugees may be said to live side by side with the dead; in some cases alongside of trenches in which corpses were placed. Since the Black Hill was occupied by refugees, about 3,000 dead had already been buried, at first in an unsatisfactory way, but since the Sanitary Department of the National Flood Relief Commission took control, the shallow graves had been re-dug, deeper pits had been made and the proper quantity of chloride of lime had been added. In one mound, 490 bodies had been buried together in 13 tiers."

Turning to the care taken by the Medical Department of the National Flood Relief Commission, Dr. Wu said that the water supply either from the river or wells had been properly chlorinated and the latrines had been regularly disinfected with chloride of lime, so as to prevent flies from breeding and dysentery and other dangerous germs from developing.

"Medically, each refugee camp is supervised by an experienced staff of doctors, nurses and other inmates who pay daily visits to the camps, give simple clinical relief and remove those requiring hospital treatment to the proper units," he said. "Black Hill is fortunate in having as chief Dr. G. Hadden, who has been for nearly 20 years a medical missionary in the Yangtze area. Working under the Relief Commission, he has built a large mat-shed hospital."

On October 3, Dr. Wu met Colonel and Mrs. Lindbergh as they were conducted by Mr. J. E. Baker the day after the mishap of their seaplane on the river. The party went over the whole arrangements and found the several huts being well built, with kind lady missionaries attending the sick and needy daily. Questioned as to the cholera situation, Dr. Wu said there had been unnecessary exaggeration of the true state of affairs.

"True, there has been and still is an outbreak, but this is of a minor character, causing comparatively few deaths, and not likely to assume a dangerous aspect," Dr. Wu said. "The cases have occurred principally in the relief camps, but some have also been reported from isolated spots of Wuchang city and Hankow. Up until the present, the whole of Wu-Han has had less than 300 cases. The main causes of death are still dysentery, especially among the aged and young, and also inanition. Wherever possible, mass inoculation against typhoid and cholera has been practiced among the refugees, and Dr. Yu Hao who is in charge of the Preventive Department, has reported over 40,000 inoculations in Wuchang alone. The inoculation work is also being carried out by Quarantine officers among the passengers and crews on every vessel leaving Hankow and Nanking."

Aeroplanes belonging to H.M.S. Hermes, the aircraft carrier now in port, did valuable work surveying the flooded areas at Hankow last week on behalf of the National Flood Relief Commission. Four flights were made. The R.A.F. pilots taking Flood Relief Commission officials passengers and an area of nearly 3,000 square miles was surveyed.

Mr. John Earl Baker, of the Flood Relief Commission, returned to Shanghai from the flooded area and described the work of the R.A.F. Two machines were used, making flights on Thursday and Friday of last week, and a detailed photographic record was compiled. The machines each made flights of about five hours' duration, obtaining results which will prove of great assistance to the flood relief workers.

"I am greatly appreciative of the very cordial assistance and co-operation of Admiral Sir Howard Kelly, Captain Mackinnon and the officers of H.M.S. Hermes," said Mr. Baker to a "North-China Daily News" reporter on October 9. "They rendered a great service to relief work."

Mr. Baker said the principal object was to make a picture map of the Wuchang area and the Black Hill area with the idea of finding out the extent of the flood and discovering isolated refugee camps. The attempt to take vertical pictures was not successful owing to the low visibility, but excellent results were obtained the next day with oblique pictures. In this way, the machines flew over the north-eastern and north-western sectors of the flooded areas with Hankow as a base so as to obtain information on the area of the land uncovered.

This, from a relief point of view, gave the relief officials a good idea of how much land was like to be sown with crops which would mature early this season, said Mr. Baker. It could safely be said that territory east of the railway and north of the Yangtze could be sown to the extent of 60 per cent. of the usual area. This estimate assumed that the farmers would "mud in" a considerable proportion of the area to be sown. The presence of Reds along the Han River militated against sowing a large area between the Han River and the railway.

Of the territory between the Han River and the Yangtze, so little will be uncovered before the end of the month that for about 10 per cent. of high ground out of the water none can be sown before next spring, said Mr. Baker.

Northern Kiangsu Floods

Tsingkiangpu, Oct. 1.

The waters of the Kaoyu, Hungtsi, and Saopoh Lakes and of the Grand Canal continue to pour through the breaks in the East wall of the Grand Canal changing that east country into a lake. It is reported that the authorities plan to stop these breaks after the water has been drained largely from the lakes. It is most desirable that this work be done at the first moment possible and it is to be hoped that competent engineering opinion will be secured and made use of for this work.

Due to these breaks in the Canal north of Yangchow the waters in this section have receded much more rapidly than would otherwise have been the case. For this reason crops on the average are good. Parts of Siyang, Shuyang, and Lienshui have been or still are completely under water with isolated areas of near-famine conditions. It is reported that many of the people in the Siyang area who had got good wheat crops were unable to save their wheat, stored in their

homes, when the waters of the Hungtsi Lake rose so rapidly in July.

The people of this city proposed erecting a bronze statue of General L'ang Kuan-yin in memory of the splendid service rendered by him and his troops during the flood period in August. General Liang refused to permit this and later a proposition was made to erect a memorial bridge over the Grand Canal at the North Gate of the city. Due to lack of funds this has not been done but these troops have most rightfully won the unstinted thanks and praise of the local people.

RELIEF WHEAT NOT FOR SALE

Statement Made by Flood Relief Commission

The 450,000 tons of American wheat purchased by the National Government for flood relief purposes will not be sold, officials of the National Flood Relief Commission said to-day. There is no foundation whatever for the rumours of the possible sale of this grain which have disturbed the market in Shanghai.

Article 7 of the contract of September 25, 1931, reads as follows: "The wheat and flour, if any, will be used by the buyer exclusively for charitable purposes in the flooded areas of China."

The Commission announced that it does plan, wherever desirable and possible, to use the wheat as wages in payment to destitute refugees for work done upon dykes, roads, and other public works. Relief will, of course, also be extended to those who, for any reason, are unable to work.

The first shipment of wheat for relief purposes, amounting to 8,000 tons, has left Seattle on the steamer "Nuolja." It will arrive in Shanghai about the end of October, and the wheat will immediately be allocated for needs in the various flooded regions.—Kuo Min.

MURDER OF WOMEN MISSIONARIES

Chinese Servants Sentenced to Strangulation

Peking, Oct. 12.

The two murderers of the American missionaries, Mrs. White and Mrs. Miller, are to pay for their crime with their lives, state messages from Yunnan.

The two men, disgruntled servants who hacked their mistresses to death as they lay in bed asleep, were sentenced to death by a lower court but took an appeal to the Yunnan Appellate court. This court has now sustained the judgment of the lower court that the men must die by strangulation and their female abettors serve nine years' imprisonment.

The sentences will be carried out when they have been confirmed by the Ministry of Justice in Nanking.—Reuter.

NEW CIGARETTE TAX ARRANGEMENT

Canton, Oct. 2.

Treasurer Feng Chuk-min has seen to it that the added tax on cigarettes is abolished. Only the "tung shui" will be payable.

Shanghai tobacco manufacturers have informed the wholesale dealers here that arrangements have been made so that the tax will only be collected in Canton and not in Nanking so that no more will be paid than has been paid right along. Shipments of cigarettes are being rushed south by the Shanghai factories, and a good many cases are being sent up from Hongkong to fill the shortage of supply. Though an import duty has to be paid on the Shanghai made cigarettes imported through the Colony, the importing wholesalers are going to bear the loss so that retailers can at once put back their prices to the old level.—Reuter.

BANDITS RAID TRAIN

Peking, Oct. 9.

Despatches from Tientsin state that bandits yesterday attacked and looted train No. 106 at Lihokow, on the Peking-Mukden Railway, west of Hsinmintun, seizing all the belongings of the passengers.

Chinese troops arrived on the scene, but the bandits put up a stiff fight and escaped with their booty.—Reuter.

BANDIT OUTRAGE AT HARBIN

Russians Held Prisoners Five Miles from City

FROM OUR OWN CORRESPONDENT

Harbin, Oct. 1.

The story of the terrible sufferings of the three Russian merchants who were kidnapped by bandits last week from one of the suburbs of Harbin is the topic of conversation everywhere in the town to-day. One of the three has been permitted to return to his friends so as to enable him to collect a sum of \$130,000 as ransom money, and his story is appalling.

The three men, who are partners in businesses of different kinds, were quietly examining a new building which they were erecting in the suburbs of Harbin, when suddenly five well-armed Chinese bandits seized them, threatening to kill the first man who made any sound. They were tied with ropes and thrown into a cart in which the bandits drove them off to the river side. On the way several policemen were met and the unfortunate men called out to them for help but not the slightest notice was taken of their appeals. Some of their workmen who had followed the cart, also asked the police to help, and when they refused to do so, they requested revolvers or rifles for the purpose of fighting the bandits themselves, but this the police also refused to do, thus the three merchants were carried off.

On getting across to the other side of the river, they were severely beaten by their captors for daring to call for police assistance, the oldest of the three nearly dying from the thrashing he received. They were dragged to the bandits' camp which is situated about four miles from the Sungari river bank and not more than five miles from Harbin, and here they found other prisoners, amongst whom was the Chinese merchant who was kidnapped a month ago. A ransom of \$150,000 was demanded for him and as it was not forthcoming, the bandits cut off his ears and sent them to the man's wife. At the camp negotiations were commenced as to the amount of ransom money for the three men, the bandits first demanding a sum of \$250,000 which was impossible, but finally the amount was reduced to \$130,000, which the merchants agreed to try and find, though they said it was very difficult.

The oldest of the three men being nearly dead with beatings and the cold, was permitted to go to town for the purpose of finding the money, and with the warning that if it was not found, the remaining two would be served in the same manner as the Chinese merchant. According to Mr. Litz, the man who has come to town, the Chinese merchant is dying from poisoning as there is no doctor to attend to his cut off ears. Mr. Litz himself is in a state of semi-insanity and has the appearance of an old and wretchedly ill man, going round to his friends begging them to assist him in finding the sum of \$130,000. He is in a pitiable state and drawn tears to the eyes of even strong men who have met him.

Imagine any country where bandits calmly reside within five miles of a large town, kidnap people and demand huge ransoms, while the police and military seem unable to act, and even permit the robbers to escape in broad daylight right before their eyes! The Japanese conflict has caused the removal of all the military from the town and therefore these bandits are bolder than ever, while the police seem afraid to interfere with them.

JAPANESE RAILWAY REVENUES

Decrease of 56,000,000 Yen Last Year

Tokyo, Oct. 8.

The Government railway revenue continued to decrease. The railway proceeds from both passenger and freight services during last year indicated a decrease of 56,000,000 yen but a still greater deficit is anticipated this year.

During the first half of the current fiscal year ending September, the proceeds show a decrease by 19,000,000 yen as compared with the period of last year. Detail follows:

	First half of 1931	Decrease
Passengers	127,839,000	12,357,000
Freights	82,065,000	6,754,000
Total	209,904,000	19,120,000

—Rengo.

THE BANDIT WAR IN ANHUI

No Change After a Year's Operations

FROM OUR OWN CORRESPONDENT

Luchowfu, Anhui, Sept. 28.

The war against the Communists in Anhui west of Luanchow has continued now over a period of many years. Sometimes the government makes gains and sometimes the communists make headway. The new motor road to Luanchow is now in operation by the military. This helps to keep the military stationed in the Luanchow district better communications with their headquarters and so prevent desertions to the communist ranks. The communists are still reported to be holding their own districts in the mountains of western Anhui. It is difficult to a layman to see why they are not completely cleaned out by the very considerable armies which go out against them.

Of late roving groups of bandits have become much worse in Central Anhui. Recently about ten boatloads of bandits on Chao Lake proceeded to the town of Chang Ling-ho and defeated the local militia, looted the town, and carried off 80 captives. These pirates have terrorized the shipping on Chao Lake for some time. Just recently they have been gathering to attack the prosperous town of Son Ho in Hoi-fien. The new magistrate of Luchowfu has gone out to offer battle to the bandits. In the first skirmish the magistrate is reported to have come off victorious. Several bandits were killed, two were captured and a number were drowned as they tried to escape. The magistrate is now protecting the town of San Ho from further attacks.

It is good to be able to report good rice crops in this part of Anhui, north of the area flooded by the Yangtze. The good harvest has kept the price of rice down and has furnished immense quantities of food which have been shipped into the flooded areas. During the past two months while the floods rose higher and higher the land nearby, was suffering from a severe dry period so much so that the cotton crop was almost destroyed. Just now rains have come which make possible the planting of the wheat crop in those districts not affected by floods.

PLAGUE OF RATS IN KAIFENG

Fifty Districts Reported to be Suffering

Nanking, Oct. 8.

The Government last night received telegrams from Kaifeng reporting that inundated areas in Honan Province are suffering from a plague of rats.

It is declared that over 50 districts are hard hit by the plague. Shaoshien, Nanyang and Sinyeh are the districts suffering most severely.

The Kaifeng reports declare that within the past few days 30,000 persons have died in the inundated Honan regions. It is reported to the Government that in Nanyang alone 10,000 lives have been lost.—United Press.

WHITE RUSSIAN ACTIVITY

Border Raids Reported by Moscow Press

Riga, Oct. 6.

Despatches from Moscow state that groups of White Russians are reported to have invaded Soviet territory from Manchuria and to have begun operations, a skirmish with the Red frontier forces occurring to-day.

The invaders are described as followers of Ataman Semenov, the leader of the "White Guards" in the Far East.

According to the despatches, the skirmish took place near Blagoveshensk, the capital of Amur Province and just across the border from North Manchuria.

The encounter is said to have resulted in casualties on both sides. The Reds are stated to have captured several of the raiders and to have shot them immediately.

The Soviet version declares that the White Russians are acting in co-operation with the Japanese.—Reuter.

SHANGHAI NEWS

FINANCIAL SITUATION OF THE SETTLEMENT

Necessary to Revert to Rate of 16 Per Cent. from Next April

FROM April, 1932, it will be necessary for the General Municipal Rate to revert to the former rate of 16 per cent., the Shanghai Municipal Council has decided. This decision was reached after examination of the financial situation set forth by the Treasurer and Controller, who states that in the absence of additional revenue there will be an initial deficit of Tls. 2,900,000 in 1932.

The situation was discussed at a meeting of the Council on September 30. Present were:—Brig.-Gen. E. B. Macnaghten, Chairman, Messrs. A. D. Bell, N. S. Brown, J. W. Carney, K. Fukushima, S. L. Hsu, O. Okamoto, O. S. Lieu, F. J. Raven, L. T. Yuan, Yu Ya-ching, the Treasurer & Controller, the Secretary General, and the Acting Secretary.

At the Chairman's request, the Treasurer & Controller detailed the major aspects of the financial situation as set forth in the Minutes. It was noted that some measure of relief will be obtained for the remainder of the financial year if the existing exchange rate is maintained during that period. The Treasurer's proposals that Heads of Departments be required to submit proposals for retrenchment and that early publicity be given to the fact that it will be necessary for the General Municipal Rate to revert to the former rate of 16 per cent. from April, 1932, were unanimously approved.

The financial statement for the half year ended June 30, 1931, was presented at a meeting of the Finance Committee on September 25 by the Treasurer and Controller. The Treasurer stated that from an examination of the figures in the statement he had reached conclusions which he summarised as follows:—

That the total revenue for the full year will be approximately that estimated; that the estimated expenditure of certain departments will be exceeded and that at the end of the current financial year the Council will be faced with a deficit of not less than Tls. 600,000 against an estimated surplus of Tls. 300,000; that in the absence of additional revenue being forthcoming there will be an initial deficit in 1932 of approximately Tls. 2,900,000 to be met; that it will be necessary to revert to the rates of taxation levied prior to July 1930, and to restrict expenditure in all directions other than on services which can be established as essential; that new sources of revenue must be sought and explored, and that it will be appropriate to consider whether the personnel of certain Departments can be maintained at the present level.

The Treasurer pointed out that the figures on which his conclusions are based are to a very large extent estimated and that it is impossible to say whether the final results will be better or worse than he has endeavoured to prognosticate. In any event he regards it as very desirable that initial steps be taken to cope with the situation as early as possible.

In amplification of the information contained in his report, the Treasurer stated that within recent years the ordinary and extraordinary budgets have been definitely separated. As regards the latter, owing to the funds accruing from the sale of the Electricity Department, the Council became relieved for a number of years of the necessity of public borrowings. It is now necessary to consider the financing of future capital projects in conjunction with public borrowings. Under the existing practice, certain expenditures are charged to the Ordinary Budget which could properly be charged to capital expenditure. He submitted that a certain portion of the expenditure involved which at present is charged to the ordinary budget for the maintenance of the Public Works Department could rightly be charged to the Extraordinary Budget since if work on capital development was not performed departmentally the cost for outside services would be automatically form part of and be charged to capital. The major projects involving large capital sums can be regarded as being undertaken in the interests of posterity. Accordingly by debiting the inclusive costs of such works to the Extraordinary Budget the burden of payment falls equitably on the ratepayer of the present and of the future. Under such a scheme the ratepayer of to-day would be required only to pay the cost of service of the loans utilised for such major projects. Various Departmental expenditures under the heading "Plant" should also in his opinion rightly form a charge on the Extraordinary Budget since in the majority of cases machinery, etc., purchased from these appropriations are utilised over a number

of years and their entire cost should not have to be borne by the ratepayer in any single year. Whilst in his opinion the adoption of the principle advocated by him could not be extended indefinitely, he anticipated that after further consultation with the Commissioner of Public Works to be in a position to submit proposals which are not only equitable in the interests of the existing Ratepayers but which also will afford a measure of relief to future current annual Budgets of Ordinary Expenditure.

Continuing, the Treasurer stated that all Heads of Departments have been notified as to the necessity for the exercise of the strictest economy during the remainder of the current year, not only with the object of reducing the contemplated deficit on the current Budget but also to facilitate the balancing of the Budgets for 1932 and ensuing years.

With regard to the Treasurer's comment on the amount of the expenditure incurred during the current year on roads, the Commissioner of Public Works agreed that whilst certain road improvements might be postponed he did not regard such a course as ultimately in the interests of economy. As a result of such expenditure additional revenue accrues to the Council by means of additional taxation: it was however, regrettable that the Council has not the legislative powers possessed by certain other Municipalities, whereby power is conferred on the Municipality to purchase an entire property if a certain proportion thereof is required for a road improvement and to recoup itself for the expenditure incurred on such improvement. So far as the current budget is concerned, it may be regarded as unfortunate that very considerable re-development of the Central District where the highest land values obtain, is at present in progress. Unless advantage is taken of such development to effect road improvements it will be impossible for these to be carried out for very many years. Although the appropriation for this purpose has been almost exhausted he submitted that a large portion of the expenditure up-to-date is due to commitments entered into in 1930 and that it does not follow that the excess for the whole year will be proportionate to that shown for the period ended June 30.

In connection with the expenditure on roads, the Treasurer observed that various factors require consideration in connection therewith; these primarily are the political aspect, and to what extent the Chinese Community will support the Council in raising loans.

With regard to the allusion in his report as to the desirability of ascertaining as to the practicability of maintaining the personnel of certain departments at the present level, the Treasurer desired it to be clearly understood that retrenchment in this direction alone will not enable the Budget for 1932 to be balanced. He recalled that upon the sale of the Electricity Department the Council gave a definite undertaking to the ratepayers relative to the extension of civil amenities, an increase in the Police Force, the protection of debenture holders, by the appointment of Trustees, and, to the extent then

possible, to a reduction in taxation. In view of this undertaking the Committee adopted his view when the Budget for the current year was in the course of preparation and to the advisability of submitting to the Ratepayers a balanced budget without recourse after so short a period to increased taxation. He realised at this period that the balancing of the Budget was largely contingent upon the silver situation. Unfortunately the situation in this respect has not improved since the Budget for the current year was framed. To provide for the estimated deficit for 1932 it would be necessary to increase the existing General Municipal Rate by 4 per cent. Such a course, however, he did not consider would be expedient; hence his proposal that this be met jointly by increased taxation and by retrenchment in the cost of the administration. To this end he consulted with the Commissioner of Police with a view to ascertaining whether, without prejudice to the efficiency of the Force, certain adjustments could not be made in the personnel of the Department which it should be noted absorbs a considerably larger percentage of the Council's revenue than any other single Department. The Commissioner of Police concurred that certain economies could be effected without loss of efficiency and he will submit concrete proposals as to this in due course. Questions which will engage his particular attention are as to whether the policy of engaging foreign recruits to the extent hitherto adopted should be pursued in its entirety; a review of the existing system pertaining to the issue of uniform and as to whether by the transfer to one command of the Russian Unit its services could not be availed of to a greater degree and thus effect an economy in the ordinary maintenance of the regular police force. If it was found feasible to adopt proposals on the above lines, which would form the subject of a later report, he estimated that a very considerable saving can be effected in the expenditure of the Police Department.

With regard to the expenditure on the Education Department, since the Council has only recently enunciated its policy as to this, the Treasurer appreciated that a drastic restriction of such expenditure might present difficulty. He strongly urged, however, that expenditure thereon should be kept to the lowest possible limits consistent with the policy gradually to extend these facilities.

Continuing, the Treasurer stated that he had come to the conclusion that it would be necessary to revise policy whereunder the funds accruing from the sale of the Electricity Department not required for loan redemption are applied to capital projects. In his opinion it was advisable that a considerable portion of the funds now remaining should be set aside as a reserve in order that the interest therefrom may be utilized for the purpose of stabilising the Budgets of the next few years. Such a fund could also be drawn upon in times of emergency. Interest sums drawn from this fund would go towards the relief of the ordinary budget of any one year and the surplus or deficit of future ordinary budgets would be adjusted through this fund. If this proposal was approved the monies required for capital projects would be raised by the issue of debentures; the success or otherwise of floating such loans would, in his opinion, demonstrate the administration. Whilst the degree of public confidence in present method of application of the monies accruing from the sale of the Electricity Department was satisfactory under ordinary conditions, he contended that the circumstances which now obtain, as long as regarded as normal circumstances which now obtain, on level of 16 per cent to be maintained and as such demand a revision during 1933/34.

Replying to a member, the Treasurer stated that he anticipated that it should be possible to float a loan, the interest rate of which would not exceed that accruing to the Council from the monies received from the Power Company. The manner in which such reserve funds would be secured would require very careful consideration.

Another member stated that he desired to reserve his opinion on the proposal to increase the General Municipal Rate next year until he had an opportunity of consulting his colleagues on the Council and of further studying the financial situation generally. The Treasurer undertook to furnish Councilors with any desired information on this general question.

In observing that the cost of the Municipal Orchestra is approximately Tls. 180,000 per annum, the Chairman suggested that as a matter of expediency and in the interests of economy it may be necessary again to refer to the Ratepayers the question of its retention. In this connection the Treasurer stated that owing to the terms of service of the musicians' disbandment of the Orchestra would not have any great effect on the Budget for 1932. It would however, materially affect subsequent Budgets. The suggestion put forward by the Chairman will receive consideration when the financial situation generally is further reviewed.

In conclusion the Treasurer stated that the proposals now submitted were of a preliminary nature. He desired however, that at this meeting members will endorse the two following proposals:—(I) that Heads of Departments be authorized in conjunction with himself to investigate and submit definite retrenchment proposals; and (II) that steps be taken to notify the Ratepayers that a reversion to the former rate of taxation, fore-shadowed earlier in the year will become necessary in 1932 and also that steps will be taken during that year to effect a reassessment of land values to take effect in 1933.

After discussion, the proposals contained in the above paragraph were approved.

Replying to a member the Treasurer stated that in compliance with the Council's request he was preparing a statement showing what proportion of the Municipal income was being devoted to charitable and semi-charitable purposes with a view to a definite proportion being allocated each year for such purpose. This statement will be submitted to the Committee in due course.

CHANGE IN FINANCE POLICY

S.M.E.D. Sale Funds to be Held as Budget Reserve

Anyone who has followed world events during the past year will understand that the Administration of the International Settlement could hardly escape repercussions of the universal economic upheaval. Business firms, as well as individuals, have been compelled to review their position, and to devise means to cope with an extraordinary situation the duration of which cannot be foreseen. Perhaps, engrossed in their business and private affairs, many residents have given no thought to the fact that similar problems to those confronting them personally face the Municipal Council, and it has become necessary thoroughly to survey the situation and to consider how best to cope with it. But they will realise that at this time a position of some difficulty was inevitable in a city of the size of Shanghai, and therefore it is incumbent upon the responsible authorities here—as it has been with national governments—to take adequate measures to ensure the maintenance of solvency with the least possible interruption of normal development programmes. This is precisely the situation in Shanghai to-day.

According to a report presented to the Municipal Council by the Treasurer & Controller, the continued low rate of exchange has been markedly felt. As a result of this and other factors, although he anticipates the total revenue for this year will be little short of the budget assessment, at the end of the current financial year the Council is likely to be faced with a considerable deficit instead of a surplus which was estimated at approximately Tls. 300,000. Thus, in the absence of additional revenue, and for the reason that the Ordinary Budget of 1931 was financed with the aid of a surplus of Tls. 2,271,568, all of which has been absorbed, there will be an initial deficit next year of approximately Tls. 2,900,000.

How, then, is this deficiency to be met? The Treasurer has proposed, and the Council has approved, that Heads of Departments, in consultation with himself, investigate and submit definite retrenchment proposals, and that steps be taken to notify ratepayers that a reversion to the former rate of taxation will become necessary in 1932; also that steps will be taken next year to effect a reassessment of land values to become operative in 1933. Economies are already in hand, but these cannot be sufficient to meet the situation, and the prospect of a return to a 16 per cent. General Municipal Rate has to be faced. This, however, was fore-shadowed by the Treasurer last March when the budget for

1931 was before the Finance Committee, and at the April Ratepayers' Meeting, the Chairman of Council, referring to the smallness of the surplus budgeted for 1931, said: "Briefly, the position may be accounted for by the extraordinary drop in the price of silver and its direct and indirect effect on all sections of the budget. As stated in my speech last year, your Council had hoped to maintain the present low level of taxation over a period of years, but unless the exchange position materially improves in the near future there is every probability of it becoming necessary in 1932 to revert to the basis of taxation in force prior to July, 1930." Everyone knows the value of silver fell to a new low record, and only in the past few weeks has there been any sign of improvement. The low level of taxation in Shanghai requires no emphasis here. Had not the Electricity Department been sold when it was, by this time our enviable record would have been what it is to-day, viz., probably a lower taxation than any of the large cities of Europe or America.

This brings us to a brief consideration of the manner in which the proceeds of the sale of the Electricity Department have been dealt with. It will be remembered that the purchase consideration was Tls. 81,000,000—plus a royalty of 5 per cent. on the sales of electricity—and that this sum is being paid off by instalments over a period of five years terminating on December 30, 1933. Approximately 54 millions was earmarked for the redemption of municipal loans, and the balance of the 81 millions has, up to the present time, been used to meet capital expenditure which, in ordinary circumstances, would be financed by loans from the public. The great advantage of this arrangement to the taxpayer has not, perhaps, been fully appreciated, but when it is remembered that the average rate of interest on the purchase price was 5 1/2 per cent., and that the several millions represented by that figure have been placed to the credit of the taxpayer through the ordinary budget, it takes but little imagination to realise that municipal rates would be considerably higher than they are to-day had not the undertaking been sold, and that it would have been impossible for the Council to carry out many important measures, among which is the greater police protection now enjoyed by the community.

Under the financial policy outlined above, the existing public indebtedness will be liquidated by the end of 1937, and the interest and sinking fund charges on that indebtedness, which in previous years formed such a dead-weight in the balancing of the budget, will have been permanently removed.

As regards the financing of capital projects out of that portion of the purchase price not hypothecated to loan redemption, the Treasurer and Controller has now advocated a variation in financial policy. In short, he recommends that a considerable portion of the unappropriated funds, which during 1932 and 1933 will approximate 13 million taels, shall be held by the Council as a reserve to meet emergencies and to the extent necessary for the stabilising of ordinary budgets during the next few years. He considers it necessary to slow down the programme of capital development, and to revert to the usual method of financing such projects by public loans. An explanatory statement of this phase of the municipal financial question, and a brief consideration of the financing of future capital projects in conjunction with public borrowings, will be found in the minutes of the Finance Committee published herewith.

Reverting to the probability of a return to former rates of taxation, it must be remembered that, in spite of the unprecedented and wholly unexpected prolonged world economic distress, by April next the Municipal Council will have redeemed its pledge to afford relief by reducing taxes for a period of twenty-one months. Had abnormal conditions not supervened, the measures now requisite probably would not all have been necessary at this time—they might have been deferred for another year—but in the circumstances, and in view of the wise plan for the future—not merely for the ensuing fiscal period—the Treasurer has proposed action with the object of maintaining our municipal financial stability for some years to come. And in doing so he has had to bear in mind that reversion to the former rate of taxation will by no means balance his budget without the imposition of rigid administrative economies and the slowing down of contemplated programmes of capital development. Here it may be remarked that the expansion of the Police Force,

undertaken at the desire of the community, has added very greatly to the cost of that Department, which now absorbs not far short of 50 per cent. of the Council's ordinary income. It is only by reason of the beneficial effects resulting from the sale of the Electricity Department that it has been possible to maintain taxation at its present level. Had that undertaking not been disposed of, a municipal rate of 20 per cent. would have been necessary to meet estimated expenditure during the current year.

THE LINDBERGH'S IN SHANGHAI

Modest Welcome and No Interview

Greeted by a handful of foreigners and a curious crowd of Chinese, Col. and Mrs. Charles Lindbergh landed at Woosung on October 6 from H.M.S. Hermes, which had dropped anchor 1½ miles from Woosung at 3.45 p.m.

Because of the death of Mrs. Lindbergh's father, many who had desired to greet the famous American flying couple desisted, in order not to embarrass them in their bereavement. Mr. E. S. Cunningham, American Consul-General, and Mrs. Cunningham were present at Woosung, as was Brigadier-General E. B. Macnaghten, Chairman of the Shanghai Municipal Council, and Mr. Paul R. Jocelyn, American Consul. Paymaster-Commander Whitting, Resident British Naval Officer, went on board the Hermes and brought Col. and Mrs. Lindbergh ashore in one of the aircraft carrier's motor-launches.

Col. Lindbergh, on landing, said to the few reporters gathered at Woosung:—"I beg to be excused from making any statement."

Both Col. and Mrs. Lindbergh looked very well. The pair came up to Shanghai with Mr. E. S. Cunningham, Col. Lindbergh proceeding directly to the U.S. Consulate-General, from where he immediately sent telegrams to America.

A sheaf of telegrams awaited the pair, while a number of wireless messages, including one bearing condolences from the China National Flood Relief Commission, were received aboard the Hermes.

Departure for Home

With a group of Americans, headed by the United States Consul-General, and Mrs. Cunningham, on the wharf to bid them "bon voyage," Col. and Mrs. Lindbergh sailed from Shanghai for Kobe Japan, on October 8, en route to the home of Mrs. Lindbergh in New Jersey. From Kobe, Col. and Mrs. Lindbergh will travel overland to Yokohama, where they will board the liner President Jefferson.

On Wednesday evening, Col. Lindbergh received a formal expression of thanks from Mr. T. V. Soong, Chinese Minister of Finance and Chairman of the National Flood Relief Commission, for the aid rendered in surveying the flooded Hankow district, over which the aviator made several inspection flights. It was on the last of these trips that he came to grief when his plane capsized.

In this communication Mr. Soong thanked Col. Lindbergh for the photographs taken during the flights and for transporting medical experts to Wuhu and Hankow. He also expressed his regret concerning the accident and the fact that both Col. and Mrs. Lindbergh had found it necessary to leave China so soon. Previously, Mr. Soong had sent both flowers and condolences on the bereavement which the couple had sustained while here.

CHINESE VISAS ON BRITISH PASSPORTS

On October 3, there was published a notification from the American Consulate-General in Shanghai advising American citizens resident in the Shanghai Consular district who did not possess valid American passports to apply for new ones and to have them stamped and endorsed by the Chinese Authorities before November 1 in order to avoid the possibility of being later required to pay an entry visa fee. The British Consulate-General has now advised this journal that the ruling of the Chinese Authorities, to which reference was made in the former article, equally applies to British subjects and that therefore British subjects resident in Shanghai whose passports do not bear a visa for entry into China or the "chop" of the local Chinese Passport Office

CHINA STATION PROMOTIONS

Sir Howard Kelly Now Full Admiral

News from home includes the information that the two senior officers of the Royal Navy on the China Station, have been promoted. The Commander-in-Chief is now Admiral Sir Howard Kelly, K.C.B., C.M.G., M.V.O., while R.A.Y., Rear-Admiral Colin Kenneth Maclean, C.B., C.V.O., D.S.O., becomes a Vice-Admiral. The latter's appointment on the Yangtze will shortly come to an end, when Rear-Admiral R.A.S. Hill, formerly Commander at Hongkong, will take his place.

Admiral Sir Howard Kelly became C-in-C. of the China Station last year, as a Vice-Admiral, and in this year's New Year Honours he received the knighthood of the Order of the Bath. The third son of Lt.-Col. H. H. Kelly, Royal Marine Artillery, he joined the navy in 1886, became a Lieutenant in 1894, Commander in 1904, Captain in 1911 and Rear-Admiral in 1922.

He served in Somaliland in 1902-4, was Naval Attaché at Paris from 1911 to 1914, and was Commodore commanding the 8th Light Cruiser Squadron in 1917. From 1918 to 1919 he was Commodore, 1st Class, commanding the British Adriatic Force. From 1919 he was head of the British Naval Mission to Greece, with the rank of Vice-Admiral in the Greek Navy; Rear-Admiral, First Battle Squadron, Atlantic Fleet, 1923-24; commanded Second Cruiser Squadron, 1925-27 was Admiralty representative on the League of Nations, 1927-29, and in 1927 was promoted to Vice-Admiral. In 1929 and until coming to the China Station he was Vice-Admiral commanding the First Battle Squadron and Second-in-Command of the Mediterranean Fleet.

In 1917 he became a Commander of the Legion of Honour and received the French Croix de Guerre. In 1918 he became an Officer of the Italian Military Order of Savoy, and in 1919 received the American Distinguished Service Medal and the Greek Order of Military Merit, 1st Class.

Vice-Admiral Colin Kenneth Maclean came to the China Station on his present appointment as Rear-Admiral and Senior Naval Officer on the Yangtze in 1929. His two years tour of duty is nearly over. He, like Sir Howard Kelly, comes of a services family, his father being the late Major-General Charles Smith Maclean. During the Great War he served at Zeebrugge and with the Destroyer Flotilla of the Harwich Force.

WEDDING

Beesley-Hunter

The wedding took place on October 10 of Miss Iris Maud Hunter, daughter of Mr. T. Hunter, Director of Geddes & Company, and Mr. T. Beesley of the Shanghai Municipal Council Secretariat. The ceremony was performed at the Holy Trinity Cathedral by the Rev. V. G. Sutcliffe, M. A. The service was fully choral and the church was decorated throughout.

The bride was attended by a matron of honour, two bridesmaids and a page boy. The matron of honour, Mrs. R. H. Beesley, wore a gown of powder blue georgette and lace with a coat to match. Her hat was of blue chiffon velvet with blue ostrich feather and she carried a shower bouquet of pale pink dahlias.

The two bridesmaids, Miss Nora Hunter and Miss Julia Beesley, wore similar dresses in different shades. Miss Hunter wore peach coloured georgette and lace, with a georgette picture hat in the same colour. Miss Beesley was dressed in pale green georgette with a hat to match, both bridesmaids carried bouquets of orange dahlias. The page boy, Master Owen Hooper, wore a blue velvet suit over an ivory satin blouse with large collar and cuffs of ivory lace.

Mr. H. C. Westergaard-Pedersen acted as best man, and the ushers were Capt. G. F. M. Warner and Mr. E. R. Nielsen.

may, by presenting their passports to that office before November 1 have them chopped free of charge. Possession of the chop will obviate payment of an entrance visa fee in addition to inland travel visa fee on the next occasion that the holder of a passport wishes to travel to any other part of China.

OBITUARY

Mr. Victor Feodorovich Grosse

Mr. Victor Feodorovich Grosse, former Imperial Russian Consul-General in Shanghai, died early on October 6 of heart failure. He was 62 years old.

The late Mr. Grosse had been an outstanding member of the foreign community in Shanghai for a number of years, first as representative of the Imperial Russian Government and more recently as head of the Russian Emigrants' Committee. In the second capacity he played an important part in the assistance of unfortunate compatriots, giving them the full benefit of his influence and experience.

Born at Griva, Kurland, in 1869, the late Mr. Grosse was educated at the Saint Petersburg University, being graduated in 1892 from the



The late Mr. Grosse.

Faculty of Oriental Languages. The following year he went to Peking as a language student attached to the Russian Legation. He married Miss Ella Pavlovna Lieven in 1899, when he was a vice-consul at Chefoo. Mrs. Grosse who died in February, 1930, was well-known in Shanghai.

Prior to the Russo-Japanese War, he was appointed governor of Newchang. After the war, was given the post of Consul-General at Yokohama and a few years later was transferred to Shanghai, as Consul-General. He remained here until his death.

For some time after the revolution in Russia, the late Mr. Grosse continued to act in his former capacity here. However, in 1912, after the Chinese authorities had abolished extraterritorial rights for Russians in China and declared them under the protection of the Chinese government, the Russian Consulate was closed and in its place there was a special Commissariat for Russian Affairs, with Mr. Grosse as Deputy-Commissioner. In 1924, when China and Soviet Russia resumed diplomatic relations, the Commissariat terminated, and the Consulate in Wangsoo Road was given over to the Soviet representatives.

The former Imperial Russian Consulate was synonymous with dignified hospitality and distinguished guests of all nations attended the brilliant receptions and balls given there during the years that Mr. Grosse was Consul-General.

Courageous in the face of calamity, Mr. and Mrs. Grosse left their former home and took a private house, never ceasing to work for their less fortunate countrymen. Even the death of Mrs. Grosse did not end those activities. The former Consul-General carried on to the very end, his small office in Hongkong Road serving as a registration centre for thousands of refugees to whom he was the one stable force in a changing world.

A forceful personality, Mr. Grosse rightly has been termed the head of the Russian community in Shanghai. Death came to him so swiftly that the loss as yet cannot be realised.

He is survived by one daughter, Mrs. Muhling of Wuhu, and by two sons: Mr. Aristid Grosse, a scientist now on a lecture tour of the United States, and Mr. Leo Grosse, a poet, who is in France.

Brother A. Beck

The death occurred at Siccawei, on September 30, of Brother A. Beck, a German member of the Jesuit Order and head of the sculpture and carpentry department of the Siccawei Orphanage. Brother Beck, who was 77 years old,

THE DOUBLE TENTH CELEBRATIONS

Reception at Foreign Affairs Bureau

Celebrating the 20th anniversary of the Double-Tenth, China's National Holiday, Government offices, including the Customs, Post Office, District Courts, etc., were closed and students suspended their studies yesterday. A general holiday was also observed by Chinese merchants and factories, resulting in some 90,000 workers being rendered idle.

The various Chinese public organisations celebrated the festival by holding a memorial meeting at the Chinese General Chamber of Commerce, North Soochow Road, at ten o'clock yesterday morning. The large hall of the Chamber, in which the meeting was held, was packed to its doors. Kuomintang officials presided over the meeting and, after the playing of the national anthem, Mr. Wu Kai-shien, of the local Tang-pu, mounted the rostrum and delivered a speech, in the course of which he pleaded forcefully for unity and peace in the present national crisis. Reactions to the Japanese action in Manchuria was felt at the meeting when certain Kuomintang officials, in the course of their addresses, started those present by declaring that the Double-Tenth was no longer a day for celebrations, but for mourning because of the Japanese occupation of Manchurian cities. Instead of devoting themselves to rejoicing, the countrymen should hold themselves in readiness for making supreme sacrifices in order to wash off the greatest disgrace inflicted on China, this official stated.

About eight hundred boy scouts celebrated the national holiday by holding a flag-raising ceremony at the Chinese Public Recreation Ground, Nantao, yesterday morning. It was originally planned by them to parade through the Nantao streets after the meeting, but this was later cancelled in accordance with an order of the police authorities.

Acting under instructions of the Central Government, the Shanghai District Kuomintang, which in previous years provided entertainments and amusements for the residents on National Holiday, cancelled all these yesterday in order to divert the money saved in this respect to the relief of flood sufferers.

Special precautions were taken by members of the Greater Shanghai Bureau of Public Safety to guard the important streets in the Chinese-controlled territory in view of the rumour that reactionaries were planning to seize the holiday to create disturbances. Nothing, outwardly, however, happened throughout yesterday except a few pamphlet-throwing and slogan-shouting incidents in the French Concession.

An official reception was held yesterday morning in the Shanghai office of the Ministry of Foreign Affairs when about 500 guests attended, including the Japanese Commercial Attaché and several Japanese officials and local residents. Among those present were members of the Consular Body, representatives of the various foreign forces stationed in Shanghai (military and naval), leading businessmen and local officials. Guests were received by General Chang Chun, General Hsiung Hai-hui, Mr. O. K. Yui and Mr. N. T. Yang. Promptly at noon, a toast "The Republic of China" was proposed by General Chang Chun, after which the Chinese national anthem was played.

came to China 39 years ago and was a remarkable carver of wood. In numerous churches and cathedrals in Europe specimens of his art are to be seen in the form of altars and other ecclesiastical wood-work. In his early days he came in contact with Abraham Cooper the Royal Academician who was the best known animal painter of the late Georgian and early Victorian eras. Cooper, who started life as an employee in Astley's circus and was afterwards a groom to Sir Henry Meux, became a Royal Academician in 1920 and died in 1888. Brother Beck, therefore must have been a mere boy when he first took lessons from Cooper. However he decided to place his art at the service of the great Jesuit Order. He had a wonderful affection for his pupils, but his outstanding quality was his deep interest and solicitude for the poor. He was devotedly loved, as he gave unsparringly of devotion to those around him. His memory will remain as one of the many hallowed inspirations which Siccawei and the Jesuit Order have given to the world.

PACIFIC COUNCIL TO MEET

Daily Sessions to Commence from To-day

This morning at eleven o'clock the biennial meeting of the Pacific Council, governing body of the Institute of Pacific Relations, will open at the Cathay Hotel to deal with administrative problems of the organization. The Council will be in daily session for the coming week, hearing the reports of national councils and the departmental reports of the international secretariat, and planning the Institute's programme of international activity for the next two years.

At this morning's opening session members of the international Programme and Research Committees will be present as guests, together with other conference members who happened to be in Shanghai at the time. During the week the Programme and Research Committees will be working separately on their respective agenda.

Attending members of the Pacific Council are: Australia, Sir Harrison Moore; Canada, Hon. Vincent Massey; China, Mr. Hsu Sing-ho; Great Britain, Dr. Archibald Rose; Japan, Dr. Inazo Nitobe; New Zealand, Mr. J. E. Strachan; United States, Mr. Jerome D. Greene, Chairman; with Mr. Lionel Curtis and Mr. E. C. Carter, United States, and Mr. Samon Maeda, Japan, as alternates.

Attending members of the International Research Committee are: Canada, Norman Mackenzie; China, Franklin Ho; Japan, Shiroshi Nasu, Acting Chairman; New Zealand, H. F. Von Haast; United States, Joseph P. Chamberlain, acting vice-chairman.

International Programme Committee members are as follows: Australia, Eleanor Hinder; Canada, C. W. Smith; China, Hu Chih; Great Britain, P. M. Robjoy; Japan, Yusuke Tsurumi; New Zealand, W. T. C. Airey; United States, E. C. Carter, Acting Chairman.

Members of the International secretariat at Honolulu in attendance at these meetings are: Charles F. Loomis, Acting General Secretary; Elizabeth Green, Editor of "Pacific Affairs," monthly journal of the Institute; W. L. Holland, Acting Research Secretary; Margaret C. Miller, Office Manager, and F. M. Keesing, Conference Secretary.

During the past two days there have been arrivals of Institute members by several steamers: Empress of Canada, Sir Harrison and Lady Moore, Muriel Swin, Mrs. Scott and Janet Mitchell, from Australia; Empress of Russia, C. J. Burchell, Norman Mackenzie, C. A. Bowmen, Adjutor Savard, from Canada; W. C. Costin from England; Harold S. Quigley and Ada L. Comstock, from the United States; Nagasaki Maru, Dr. Inazo Nitobe, Soichi Saito, Kenzo Takayanagi, Shiroshi Nasu, Yusuke Tsurumi, Tamon Raeken, S. Urami and S. Suzuki; Taiyo Maru, Mr. and Mrs. Theodore J. Kreps, United States; and P. O. Naldora, Dame Rachel Crowley of the British group, lately chief of the Social Section Questions of the League of Nations. Tristan Buesst, Secretary of the Australian group, and Peter Fleming, of the British group, arrived from Peking by train.

MUNITIONS SHIP IN PORT

Str. Childar Unloading Huge Arms Cargo

Light artillery, machine guns, rifles, small arms and other munitions of war, said to have cost in excess of G.\$250,000 and to be one of the largest consignments of military material ever brought to Shanghai for the Nationalist Government, are being unloaded to-day at the China Merchants Lower Wharf from the Norwegian str. Childar, which arrived here several days ago from Hamburg, Germany. Operating under charter to the R. C. Rickmers Line, the main part of the Childar's cargo consist of munitions, it is stated. The exact quantity aboard, together with the precise value of same, could not be learned from the Shanghai representative of the Rickmers Line who stated that he was not at liberty to give out this information.

It is expected that the munitions will be transported from Shanghai either to the capital or inland to some military centre. The Childar, which entered at Shanghai on Oct. 8, due to depart as soon as unloading has been completed.

THE SINO-JAPANESE CRISIS

Chinese Officials' Promise to Protect Japanese in Shanghai

Following the failure of a number of Chinese wharf coolies to show up for work yesterday morning at the Japanese docks on which they were employed, the crews of approximately forty lighters used to convey freight from Japanese steamers in the stream went on strike last night.

The strike was part of the anti-Japanese movement and came after the men had been approached continually in the last few days by representatives of the Anti-Japanese and National Salvation Society. There are still a number of lighters in service, however, the Japanese state, and the despatch of cargo will not be materially hindered.

Apparently the strike was conducted without violence, as the Pootung Headquarters of the River Police had no reports of disorders of any kind.

Four destroyers belonging to the 24th destroyer flotilla of the Japanese navy, steamed up river yesterday, and are now berthed at the buoys opposite Wayside Wharf. The first three arrived off Woosung late on Monday night and with the arrival of the fourth, all four proceeded to their berths yesterday morning.

As the result of the first invasion of International Settlement territory by a search and seizure party of the Anti-Japanese Association, a squad of police from Headquarters and thirty of the society members clashed yesterday afternoon when the former forcibly recovered a shipment of Japanese-owned paper illegally confiscated a few hours before in Unga Road. The recovery was effected at the Anti-Japanese Association offices on Siling Road, a short distance from the Central Police Station, force being necessary as the peaceful return of the paper was refused.

The seizure occurred while Mr. K. Murai, Japanese Consul-General in Shanghai, was engaged with Gen. Chang Chun, Mayor of Greater Shanghai, registering a decided and emphatic protest against anti-Japanese activities and demanding better protection for the lives and property of his nationals. A truck load of paper owned by Mr. K. Matsuhara, of 131 Kiangse Road, was being carted through Unga Road in the Hongkew District, to the Mizuo Printing Office when it was stopped by an Anti-Japanese Association search party of three men. A cursory inspection revealed the paper to be of Japanese manufacture and the party informed the driver that his load was confiscated. Protests that the paper was Japanese property, destined for a Japanese establishment, and that the point of seizure lay well within the precincts of the International Settlement proved unavailing, and the Association members drove off with the load.

Mr. Matsuhara, owner of the property, immediately advised the Japanese Consul, who in turn communicated with the Settlement police. Shortly after 2 p.m., Sub-Inspector B. Palmer, of Headquarters, accompanied by Sergt. Inouye, of Hongkew Station, and a number of men, located the confiscated property at the offices of the Anti-Japanese Association in Sinking Road, Central District. About 30 men were in the offices when the police arrived, and, when the return of the paper was refused, a tense situation prevailed for a few moments. Sub-Inspector Palmer then ordered his men forcibly to regain the paper. A brief scuffle ensued, but the police restored the load to its owner. No arrests were made, as far as is known, neither was anyone injured.

While this affair was taking place similar incidents in Chinese territory were being placed before General Chang Chun by Mr. Murai. Pointing out that a state of peace still prevailed between Japan and China, and that the League at Geneva had requested both Powers especially to refrain from overt acts, while the Manchurian case is under consideration, Mr. Murai declared that the attempted severance of economic relations was precipitating a dangerous situation.

Intimidated by the Anti-Japanese Association, the Chinese compradors and staffs of many Japanese firms have been forced to leave their employment. Mr. Murai stated, Chinese were declining to carry out contracts with Japanese firms, and Shanghai Chinese banks were refusing to do business with Japanese. He called Gen. Chang's attention to the Anti-Japanese meetings and parades that

are being held and the wide-spread distribution of Anti-Japanese literature and posters, all of which he declared to be illegal. Mr. Murai then cited various incidents of Japanese subjects being attacked by Chinese and demanded that such activities as he had related should be terminated by the authorities.

"Unless this is done," Mr. Murai stated, "these actions will lead to untoward happenings with most serious consequences."

In reply, Gen. Chang is said to have informed the Consul-General that he would do everything within his power to bring an end to the anti-Japanese agitation and that he would guarantee full protection to every Japanese subject within his jurisdiction.

Shortly after the meeting terminated, a Japanese pearl delivery boy, employed by a Shanghai Japanese newspaper, was set upon by students in Woosung Road and in the ensuing battle had his papers taken from him. The Japanese Consul reported the matter to the police and a search is being made for the youth's assailants.

General Hsiung Shih-hui, Garrison Commander of the Woosung-Shanghai Defence Area, arrived in Shanghai on Tuesday. In the course of an interview on the question of the safety of Shanghai, and commenting on the various rumours that are afloat about the possible occupation of Chabei and Nantao by Japanese forces he said that both Chinese and Japanese residents of those districts were moving out of fear of a clash of forces.

The Chinese fear drastic action from the Japanese troops. This, he declared, was due to a misunderstanding or to ignorance of the real facts. The Chinese patriotic movement, in the general view, are well ordered. Moreover the Chinese are not actuated by malice or hatred against peaceful Japanese subjects. Conditions in Shanghai are unlike those in Manchuria and there is no reason for believing that the Japanese would apply the same methods here as in the North. The General considered that rumours in certain newspapers (not the North-China Daily News) that the Japanese Consul-General had protested to the Mayor of Greater Shanghai and threatened to land troops in the event of the Chinese authorities being unable to give proper protection to Japanese nationals, were very dangerous for no such note had been sent. The Japanese Consul-General had visited General Chang Chun but no such threat was made. The Chinese Government have repeatedly declared that they will assume full responsibility for the protection of Japanese life and property, and is convinced that there will not be any untoward incident and as to the presence of Japanese warcraft in Shanghai, the General agreed that it might have a steady effect on the Japanese public but it might be productive of misunderstanding by the Chinese.

General Hsiung declared that his troops here were quite ready to cope with any emergency that might arise as in the past three years. His duty is to protect residents here both Chinese and foreigners alike. Interviewed by a representative of the "North-China Daily News" yesterday with reference to the many rumours which are being disseminated in Chinese circles and which have been responsible for an exodus of Chinese residents from the territory under the City Government of Greater Shanghai into the International Settlement and the French Concession, General Chang Chun, the Mayor, expressed his regret that the people should take heed of all the false and malicious statements which they hear.

"Everything is quiet in Chinese-controlled territory," he said, "and there is no semblance of trouble. We have sufficient forces at our disposal to cope with any disturbance that may arise. The public should not take alarm upon hearing one report or another."

"After news relating to the Japanese occupation of Manchuria had reached Shanghai, I was approached by the Japanese Consul-General with a request to accord protection to Japanese residents living in places under my jurisdiction and I assured him that I would undertake full responsibility in that connection. Indeed, in spite of the high tension which has ensued as a result of the Japanese invasion, Shanghai has been quiet and there have been no untoward incidents in which Japanese have been involved."

"When news was later received that Japanese destroyers were being brought to Shanghai and that

Japanese sailors were being landed, naturally more rumours were created, and I informed the Japanese Consul-General that Japan would be held responsible for untoward trouble that may arise should these armed forces enter Chinese territory. The Japanese Consul-General replied that he had full confidence in the ability of the City Government of Greater Shanghai to preserve order and gave an assurance that Japanese armed forces would not enter our territory," said the Mayor. "Accordingly, particular attention has been paid to the maintenance of peace and to the protection of Japanese residents."

"Rumours have been spread that hostilities have broken out and that the City Government headquarters have been moved to the International Settlement, which, of course, is quite contrary to fact. It shows, however, that the rumours are not only groundless but that they are harmful. In spite of the knowledge that such rumours are untrue, many people have taken them at their face value and have commenced moving out of Chinese territory."

"I, together with the Shanghai District Kuomintang and the Shanghai and Woosung Gendarmerie Commissioner, have issued a proclamation warning the public to act within the bounds of the law and to refrain from spreading rumours. Those who fail to abide by this order will be punished severely."

In this connection, it is of interest to note that Captain Yasuda, adjutant of the Japanese landing forces in Shanghai, has sent a letter to Mr. Wang Kuang-tou, chief of the Second Department of the Greater Shanghai Bureau of Public Safety, denying the rumours that the Japanese marines intend to occupy Chabei. As the circulation of such rumours tends to stir up ill-feeling and cause the present tension to become worse, he requests the Chinese authorities to devise ways and means of putting a stop to them. Martial law is being enforced in territory under the City Government of Greater Shanghai.

General Hsiung Shih-hui, former Gendarmerie Commissioner and Chief of Staff to the late Chiang Kai-shek, who has relinquished the former position in favour of General Chen Ming-shu, former Chairman of the Kuangtung Provincial Government, arrived here on Tuesday to take charge of the local garrison pending General Chen's arrival from Canton.

Asserting that they were acting under orders from the Woosung and Shanghai Gendarmerie Commissioner, a detail of uniformed guards appeared at the Shanghai General Post Office early yesterday morning and seized all copies of the two local Japanese daily newspapers which had been deposited in the outgoing post, according to a statement made by the Japanese Consul-General last evening. When advised by the postal authorities of the seizure, executives of the two newspapers concerned, the "Shanghai Nippo" and the "Shanghai Mainichi," immediately reported the occurrence to the Consul and Mr. Y. Shirai, Vice-Consul, later in the day, called on Gen. Hsiung Shih-hui, Commissioner of Gendarmerie, and registered a strong protest.

Neither of the newspapers had received any order barring them from the mails. Mr. Shirai informed Gen. Hsiung, and pointed out that violation of the post is strictly against the provisions of the Geneva Postal Convention, of which China is a member, as well as being contrary to international treaty rights. Gen. Hsiung said he would have the matter investigated at once.

According to information received by the Japanese Consular authorities, the gendarmerie guards, on their arrival at the postal headquarters, made a careful inspection of the mails but seized nothing but copies of the two Japanese journals. It was stated last evening that the guards are still on duty at the General Post Office, consequently it is feared that subsequent issues of the papers will meet with the same fate until the matter is adjusted.

Yesterday's seizure followed on a long series of complaints which have been registered during the past ten days by local Japanese individuals and firms concerning the post, it was stated at the Consulate. All mail addressed to local Japanese has been subject to lengthy delay, while in some cases postal matter has failed to arrive at all. Where the delay and loss have taken place and just who is responsible for the situation, the Consulate was unable to state.

At the same time it has announced that the Chinese Commercial Radio Service has refused to accept messages filed to Japan, while despatches addressed by Shanghai Japanese newspaper correspondents to their journals have been so censored when sent through cable facilities as to

be practically unintelligible when received at their destination.

Several more guards have been posted around the Japanese Consulate-General in Whampoa Road and a number of foreign police officers are on duty at the steamer landing below the consular headquarters.

Oct. 11. Several mobs of Chinese students and looters in the Northern district attempted to precipitate a crisis yesterday morning by shouting slogans and venting their spite against parties, innocent of any ideas detrimental to law and order. In the resultant melee, a Japanese was struck by a stone and a Settlement officer had to have medical attention to his finger, which was broken.

Other than these there were no untoward incidents on the anniversary of the founding of the Republic of China, except a small affair in the Central district, where four or five of the younger generation distributed pamphlets which were said to have been printed by them in the workshop of one of the more prominent Chinese newspapers.

The incident was deliberately fostered by leaders of the section and word of the attempted demonstration was known before the radicals' "inspired" agitators were under way.

The police turned out in full force, being supplemented by about 30 Japanese Marines who arrived on the scene after the Settlement officials had completely taken care of the situation.

Subsequent to their display of radicalism, and as they said, dispersed and the Marines kept a careful guard over the area for a period. The police as well did double duty in Wayside and Yangtzepoo districts.

Gathering in twos and threes the Chinese assembled near Pingliang Road Market about 9.15 a.m. yesterday, and having been instructed by their leaders, they began shouting slogans, such as, "Down with the Japanese Imperialists," and "Boycott the Japanese." For a few minutes nothing of import happened, but Yangtzepoo police appeared on the spot.

As the officers arrived the mob began throwing stones, which they had picked up from a pile which had been dumped by a truck. The police made for the mob, which scattered with the first show of force. As the mob broke up, sympathisers and others, who were idle because of the holiday, congregated on neighbouring roads. This crowd came to official attention about half an hour later at the intersection of Pingliang Road with Dalny Road, which is in the Wayside district. They numbered now about 300.

A group of female students had assembled to deliver anti-Japanese lectures. While the leaders spoke, their henchmen fired several rounds of firecrackers, attracting additional persons to the crowd. The speakers became more vociferous in their denunciations and in their diatribes against Japan.

Inspector Ginnane, of Wayside police station, had turned out all available men, and with the inspector leading his men, they approached the speakers and supporters, who soon dispersed. At about this time the van from the Reserve Unit, with a full complement of foreign and Chinese officers, put in an appearance, but the crowd which had been augmented by hangers-on and shop assistants dispersed.

The trouble was not over, however, inasmuch as isolated groups gathered on side roads. When their number had increased to about 600, they made their venue at the intersection of Yangtzepoo and Pingliang Roads, where they seized a quantity of cigarettes, which were said to be of Japanese manufacture, and scattered them over the roads. There was no resistance on the part of the shopkeeper, but the police hearing of the third disturbance, rushed to the spot in motorcars and riches.

As the parties jostled each other, a Japanese passed on a bicycle. Several of the mob threw stones at him and as one of them seized him round the neck, others came to his assistance, but the police soon were in control. Stones were also thrown at buses and trams but, with windows open, no damage was done.

In the scuffle Sub-Inspector Watson while holding off the mob, sustained a broken finger. The mob having been dispersed, he was given medical attention.

Wayside and Yangtzepoo police maintained double precautionary patrols during the day, but no further events came to their attention. Information received by the Police indicated that there would be a Communist demonstration at 9 p.m. last night, at the corner of Avenue Edward VII and Chekiang Road,

and accordingly precautions were taken.

Strong parties from the Shanghai Municipal Police and the French Police stood by at the cross-roads, with others in reserve, for some time. Nothing happened, however, the police precautions apparently having daunted those, whoever they were, from holding their meeting.

Bringing with her a complement of approximately 240 marines, the Imperial Japanese Cruiser Tokiwa, under command of Lieut. Commander Mori, dropped anchor off Wayside wharf shortly after four o'clock yesterday afternoon.

The Tokiwa was dispatched directly from the Sasebo naval base, Japan, and is expected to remain in Chinese water until the present Sino-Japanese crisis has abated. The marines aboard the Tokiwa were landed later in the afternoon and transported in motor trucks to the Japanese Barracks near Gordon Road.

Oct. 12. Declaring that the manner in which the Anti-Japanese boycott is being conducted in China constitutes a veritable act of war, over 5,000 Japanese merchants, shipping men and residents of Shanghai yesterday called a petition to the Tokyo government, asking that pressure be brought against Nanking to terminate the movement.

The petition was compiled at a mass meeting of the Japanese Community held in its primary school on North Szechuen Road at one o'clock yesterday afternoon. Various speakers addressed the meeting and pointed out that, although the Nationalist Government had repeatedly given assurances that the movement would be discontinued, still no active steps had been taken in this regard. It was alleged that, without the tacit consent of the authorities, the Anti-Japanese campaign could not exist for one day, the speakers asserting that members of the association illegally destroyed Japanese goods, imprisoned Chinese suspected of relations with Japanese and inflicted punishments, under the very eyes of the constituted authority without interference.

The Anti-Japanese Association has usurped the functions of the Chinese government, it was charged at the meeting, and through its activities is endangering seriously the relations between China and Japan when the serious minded thinkers on both sides are doing their best to settle the outstanding difficulties without further strike.

Yesterday afternoon the Japanese cruiser Tenryu dropped anchor in the Whampoa River, off Wayside Wharf, having been dispatched several days ago from the Sasebo Naval Base, Japan. The Tenryu is the second Japanese war vessel to arrive in Shanghai during the last few days, the Takiwa having entered the river late Saturday afternoon with 240 marines who are quartered at the local Japanese barracks. The Tenryu brought no reinforcements, with the exception of her own complement.

Serious trouble was narrowly averted by police action in the Dixwell Road and Hongkew districts yesterday afternoon when a number of Japanese counteracted the anti-Japanese movement in Shanghai by tearing down posters in the shop windows.

This action on the part of the Japanese followed the mass meeting held in the Japanese Primary School and a demonstration on North Szechuen Road. The situation at one time was fraught with alarming consequence, as Chinese shop employees resisted their entrance and retaliated. With large crowds swarming around the different corners along the main thoroughfare, and Japanese marines parading up and down in trucks, police officers had their hands full keeping peace and order.

While several windows were reported to be broken when the Japanese forced their way into the shops, no serious injuries were reported in the ensuing clashes. No arrests were made, the Japanese demonstrators being successfully dispersed by the police. Up until a late hour last night, the reserve units of the two stations were standing by.

As things became worse, Dixwell Police Station was informed. Simultaneous with the arrival of the police, Japanese marines appeared on the scene. The crowd dispersed in different directions.

While several of the zealous demonstrators proceeded on their way further south toward the Szechuen Road Bridge, Dixwell Road Police sent a message to the Hongkew police of the incidents. Precautions were immediately taken.

The group, which now only consisted of several Japanese continued their activities of tearing down anti-Japanese posters as they proceeded. When the posters were

affixed behind the display windows, they forced their way in in face of resistance. Many Chinese shops quickly closed their doors at the approach of the group.

This soon stirred a mild panic along the road and pedestrians began to gather in large numbers. Several window panes were smashed, but the Japanese usually succeeded in tearing down the posters. At the corner of North Szechuan and Boone Roads, the group walked up to a Chinese tailor shop. As they began to enter the place, the employees pushed them out and closed the doors. The Japanese stormed the doors but while this was in progress, the Hongkong police were on the scene and dispersed them.

Oct. 13. While the Chinese authorities viewed the situation as grave, Mr. Stirling Fessenden, Secretary General of the Shanghai Municipal Council, declared that the Municipal Police have the situation well in hand. Japanese service men have not been called to assist the police, he said.

In view of the increase of anti-Japanese propaganda, and the anti-Japanese movement being tightened considerably, Chinese officials held discussions with the members of the anti-Japanese Association yesterday. It was reported that a calm attitude was urged by the officials.

Col. Chen Shih-tseng, Commissioner of Bureau of Public Safety, called a conference with the members of the Kuomintang and several divisional officers of the Bureau in Chapel yesterday, when proposed measures to maintain peace and order were discussed. A similar meeting was also held by Chinese military officials in connection with a joint defence with the Chinese police.

FIERCE BLAZE IN HONGKEW

Hottest Fire Tackled by S.F.B. for Some Time

One of the fiercest fires that the Shanghai Fire Brigade have tackled for some time broke shortly after 3 p.m. on October 10 at the corner of Wuchang and Miller Roads, where three Chinese shops were gutted and two others damaged. Police officers rescued a child who had been left behind just before the flames spread, which they did rapidly.

The shop in which the fire started, right on the street intersection, contained old motor-car tyres and vulcanizing material, as well as a quantity of straw baskets, and a small quantity of printing ink, and the heat from this was so intense that windows on the opposite side of both Miller and Wuchang Roads were cracked.

Blinds in a house on the opposite side of Wuchang Road caught alight, and it was only prompt work on the part of members of the brigade that stopped the fire from getting going on two sides of the road at once, and Capt. Dyson and Sub-Officer Pemberton even got their hands blistered by the heat while rushing a hose up at this point. It was found necessary to lay on right round the block in order to tackle the flames from Wuchang Road.

Seven machines attended the fire, three from Central Division, three from Hongkew Division, and the salvage machine from Foochow Road sub-station.

CLUB ON YATES ROAD RAIDED

Wild Chase in Streets by Police

A raid was conducted at the International Merchants Club, 90 Yates Road, by the Settlement Police early on October 11. Twenty-three Russians, including three women, were arrested in the premises.

While 17 couples were dancing on the ground floor, and gambling was in progress upstairs shortly after 1 a.m., police officers who had already surrounded the place, broke into the club. Music stopped, and the officers rushed upstairs. Having removed all the paraphernalia, they put 23 people under arrest.

The raid was so well prepared by the police that no disorder ensued, despite the excitement of the participants. One Russian employee, however, attempted to escape. After a wild chase on the streets, Probationary Sergeant Kell brought him back to a black Maria. The group were dispatched to the Sinza Police Station, where bail was placed at \$100 each. Dancing continued after the police had left the scene.

AT THE CINEMA

"Skin Deep"

Joe Daley Monte Blue
Baby Carlson Davey Lee
Sadie Rogers Betty Compton
Elsa Langdon Alice Day
Blackie Culver John Davidson
Dist. Attorney John Bowers
Dippy George Stone
Dr. Langdon Tully Marshall
Tim Robert Berry

Gangland again is here at the Carlton. Well-acted and well-produced the cinema follows strictly defined rules. Even Sadie Rogers determined but ornamental villainy is, at the last moment, subject to a dying wish of repentance, so that Joe Daley, transformed physically by the plastic skill of Dr. Langdon, can embrace Elsa without any compunction as the screen fades away. Blackie Culver is the cowardly villain—also ornamental—to the end. Joe Daley's heart of gold in a rugged setting is apparent from the first with a simplicity which makes his reputation as a gangster truly amazing. But everyone knows that he or she is in gangland and gets every ounce out of the opportunities offered. Miss Compton carries off the honours, with Miss Day a good second. Mr. Blue has an easy task and Mr. Davidson rolls his eyes, curls his lips and grimly whispers with effect. Little Davey Lee is trained to exploit the "Sonny Boy" touch and evoke tugging at the heartstrings or a desire to shoot, according to the temperament of the onlooker. But what a curious place this gangland is? Luxurious apartments, constant wearing of the jewels, shirt-fronts and a complete absence of anxiety about money afford a setting which not even the dominance of neurotic fright can rob of its attraction for the poor but honest adherent to the straight and narrow path. Are these people real or must such plays be taken to belong to Chicago's substitute for Grimm's Fairy Tales?—E.H.

Charley's Aunt

Lord Babberly Charles Ruggles
Amy Spettigue June Collyer
Charlie Wykeham Hugh Williams
Donna Lucia D'Alvadorez Doris Lloyd
Stephen Spettigue Halina Hobbes
Ela Delahay Flora Le Breton
Jack Chesney Rodney McLennan
Kitty Verdun Flora Sheffield
Sir Francis Chesney Phillips Smalley
Brassey William Bengtson
Before turning to "Charley's Aunt" let the Capitol Theatre be congratulated on their perseverance with the flesh and blood orchestra now promoted to identity on the programme as "Dick Leuterio and his Capitol Boys." This orchestra provides an admirable start to the programme with its lively jazz tunes. And another special note should be made this week, because "Birds of a Feather" the Walt Disney animated cartoon is the most beautiful and by far the best yet produced by that artist. It is well worth seeing by anyone who appreciates Walt Disney's work.

Now for "Charley's Aunt." No one who goes to "Charley's Aunt" is happy unless the producers retain most of the accepted traditions connected with that remarkable old lady. In that connection, why does the publicity agent of the Capitol fall back on the rather banal reference to a cat laughing where the historic remark "still running" is good enough for most admirers of the lady? But those who intend to renew their acquaintance with Mr. Brandon Thomas's masterpiece by way of the talking film will be completely satisfied, judging by the constant barrage of laughter which was put up by the audience on Thursday evening. Mr. Charles Ruggles had evidently been careful to respect tradition, so when he poured the tea and the milk into Mr. Spettigue's top hat, he did not fail to mention that he came from Brazil, "where the nuts come from," and he displayed his immanely cricket trousers at suitable intervals with the usual acrobatic agility. Perhaps the scene in the college garden was unduly prolonged, and also there two familiar landmarks missing—one the bogus lady's irreverent comment on an alleged naughty story by the real Donna Lucia. When all is said and done, however, the whole production was excellent, and the actors, who are all the time foils to Lord Fancourt Babberly, played their parts with suitable self-effacement. "Charley's Aunt" is still running, and she should run very well at the Capitol this week. This praise is given with all reservation, because the reviewer frankly admits that he has seen "Charley's Aunt" played more times than he cares to remember, and under conditions varying from that of a London Theatre to a small street company in a provincial

town, and he has always been completely conquered by the lady.—A.H.

"Daddy Long Legs"

The Nanking Theatre contributes a nice sweet sentimental story to the week's entertainment—a story that, although it is revised as to clothes, belongs still to the spacious days of the early XXth Century and single figures when men were strong and preferably silent and maidens knew how to adore them. Miss Janet Gaynor as Judy Abbott, an orphanage drudge, bestowing intimate attentions upon babies and telling simple stories to squeaky children, is simplicity itself. Later, as a college girl, rescued from drudgery by kind Fortune and the unknown "Daddy Long Legs," she manages a flirtation with him (still unidentified) in a most suspiciously masterly manner, but otherwise still remains the ingénue. Mr. Warner Baxter as Jervis Pendleton—"Daddy Long Legs"—is very seductive. Of course he loves Judy, but, weighed down by his—possibly—34 winters, he resigns her unquestioningly to the claims of flaming youth in the person of Mr. John Arledge (Jimmy McBride), and goes his aged screwing way, as they did when nineteen hundred was new, to catch the night boat for Europe. However, he gets her in the end. It is all such a pleasant change from cocktails and cigarettes and passion. A bit saccharine maybe, but really none the worse for that. There are so many pleasant things about the picture—Miss Una Merkel, for instance, who is always flicked from view long before one has had one's fill of her; Mr. Gillingwater, sr. as some sort of majordomo, and sourly delicious; Mr. John Arledge as youth at the helm; and Miss Elizabeth Patterson as the ineffective and frantic matron of the orphanage. It is life as the nice story-books used to make, and as we would like to have it. One smiles but is satisfied. G.C.

SHANGHAI EXPLORER LEAVING

Mr. and Mrs. Sorensen Sail for Denmark on Wednesday

After 30 years in the Far East, Mr. Arthur Bollerup Sorensen, of the Great Northern Telegraph Company, is leaving China for good. Accompanied by his wife, he is to sail for Denmark on Wednesday.

Keenly interested in the adventure in the deserts and unknown regions in China, Mr. Sorensen has done a good deal of exploration work in the Gobi desert and Tibet. His experiences will be published in a book by the Royal Geographical Society.

Mr. Sorensen arrived here in 1901 and since then has been in the service of the Great Northern Telegraph Company. Popular among the local residents, Mr. and Mrs. Sorensen have made a wide circle of friends.

While in the service with the Telegraph Company, Mr. Sorensen has spent much of his holidays in exploration work. On his last trip to Western China, he almost reached Lhasa, the famous city of the Lamas. Besides having collected all the varied materials for a book for the Royal Geographical Society, Mr. Sorensen has also written an earlier book, dealing with country life and other phases of life in China.

A heavy Chinese silver tray, suitably engraved, has been presented to Mr. and Mrs. Sorensen by their many friends in Shanghai on the occasion of their departure.

U. S. CRAFT LOSES PROPELLER

United States marine surveyors are to-day inspecting the damage incurred by the U. S. Naval minesweeper Avocet which was towed into port here Saturday as the result of losing her propeller and shaft off Tsingtao several days previous.

The shaft parted unexpectedly while the Avocet was bound for this port and a wireless call for aid was immediately sent out. The U. S. mine-sweeper Beaver, a sister craft to the Avocet, was in the near vicinity and, responding to the call, towed the crippled vessel as far as Wosung where she was picked up by a tug and brought up to Shanghai.

PERSONAL NOTES

LIEUT.-Commandr. Harold Bartlett arrived here yesterday to take up duties as U. S. Navy Purchasing Pay Officer. He was accompanied by his wife.

Mrs. H. Browett, doyen of the British Bar in Shanghai, celebrated his 69th birthday on October 6. Happily, he is still as hale and hearty as ever.

PROFESSOR William H. Adolph, of Yenching University, Peking, has been given a research grant by the Ella Sachs Plutz Foundation of America for technical assistance in carrying forward studies on nitrogen and calcium metabolism of China.

Mr. I. H. D. Findlay, who during the past two years has been on the staff of the Shanghai office of the National Bible Society of Scotland, has gone to Chungking, where he will take charge of the branch at that city during the absence on furlough of Mr. G. Henderson.

Dr. and Mrs. R. E. Lewis arrived in Shanghai on October 7 by the Dollar str. President Madison. Dr. Lewis, who was at one time general secretary of the Shanghai Chinese Y.M.C.A. and who retired several years ago from the general secretaryship of the Cleveland, Ohio, U.S.A. Association, has accepted an appointment of the Ministry of Foreign Affairs in Nanking as honorary adviser.

Mr. Wen Shih-tsen, former Commissioner of Foreign Affairs and Superintendent of Customs in Nanking and Shanghai under Marshal Chi Hsieh-yuan, arrived in Shanghai on October 9, from Harbin where he is now engaged in industrial and commercial enterprises. Mr. Wen and the late Mr. Roy Anderson were, it may be recalled by many, responsible for the rescue of the foreigners and Chinese who were captured from the Blue Express at Lincheng in 1923.

DR. P. H. Lo, former managing director of the Shanghai-Nanking and Shanghai-Hangchow-Ningpo Railways, who was dismissed from his post for negligence in adopting precautions in connection with the attempt on the life of Mr. T. V. Soong recently, has been made managing director of the Canton-Shao-kuan Railway by the Canton authorities. Dr. Lo, who is a close associate of Mr. Fo, was once Commissioner of Foreign Affairs in Canton and a member of the Board of Directors of the Shanghai-Nanking Railway.

Dr. Hawking Yen has been appointed Councillor to the Chinese Legation in Washington, and is leaving for the United States shortly. Pending the arrival of the new Minister, Dr. W. W. Yen, Dr. Hawking Yen will be in charge of the Legation. The new Councillor of Legation has been connected with the Chinese diplomatic service for many years. In 1925, he was secretary-general to the Special Tariff Conference and last spring he was a member of the faculty of the Peking Customs College.

Mr. C. E. Metzler, former Russian vice-consul in Shanghai and vice-president of the Russian Emigrants Committee, has notified the Consular Body, the City Government of Greater Shanghai, and the Councils of the International Settlement and the French Concession that, following the death of Mr. V. P. Grosse, he has temporarily assumed the duties of president of the Russian Emigrants Committee. All current work will be performed, as before, by the secretary, M. Yakovkin, except cases in which Mr. Metzler's personal services are required.

Mr. E. S. Little, Jr., who since 1914 has been Tientsin manager of the Imperial Chemical Industries (China) Ltd., and his family have arrived here from the northern port on transfer. During his stay in Tientsin, Mr. Little was closely identified with the commercial, sporting and other activities of the community. He was secretary of the British Chamber of Commerce in 1914, the year when the Chamber was founded, and until recently was president of St. George's Society. He was also a prominent member of the Tientsin Rotary Club and a member of various committees of the Tientsin Race Club, and he took a keen interest in sports generally. When an Emergency Corps was recently organized in the British Municipal Area, Mr. Little was appointed commandant.

Mrs. Eric Crone has returned to Shanghai from a five months' holiday.

Dr. Y. M. Chien, the local banker and Minister designate to France, has consented to withdraw his resignation and to leave for Paris shortly.

ARRIVING in Shanghai from London on Sunday afternoon by the Glen Line m.v. Gleniffer were Mrs. D. Nickells, Mrs. M. Gray, Mrs. R. Arnold-Jones and Mr. A. D. Kay.

SENATOR Ralph Metcalf, of Tacoma, Washington, and Mrs. Metcalf are passing through Shanghai on board the str. President Buren on a pleasure trip in the Orient.

AMONG the passengers leaving Shanghai by the M. M. S. Chenonceaux were Mr. and Mrs. J. Chollet, Mrs. P. Bonnet, Mr. and Mrs. F. R. Burks, and Messrs. L. Rondon, Jr., d'Hardinilliers, Sadoc, E. J. Powell, Postal and T. Lilienfein.

Mrs. William H. Park, wife of the agent of the Hongkong & Shanghai Banking Corporation in Peking, and her children are leaving Shanghai to-day by the N.D.L.S. Trier en route to Scotland to spend a year's holiday. They will be joined by Mr. Park next year.

THE Right Reverend Bishop J. W. Baker, of the Methodist Episcopal Mission, and Mrs. Baker were among the passengers arriving in Shanghai on October 7 from America by the Dollar str. President Madison. They have come to attend several conferences in Central China. While in Shanghai, Bishop and Mrs. Baker will stay at the Cathay Hotel.

It is not generally known that Miss Sari Maritza, the young film actress born in China, and speaks Chinese. She is shortly to appear in the film version of Mr. A. P. Herbert's "Water Gypsies". Miss Maritza is also a great friend of Mr. Charles Chaplin and may one day appear as his leading lady.

PASSENGERS arriving in Shanghai yesterday by the P. & O. S. Naldora included Mr. and Mrs. M. H. Gordon, Mr. and Mrs. N. C. Macgregor, Mr. E. O. Wilson, Mr. and Mrs. P. O. G. Wakeham, Mr. and Mrs. P. B. Joly, Dame C. R. Crowdy, Mr. G. Coutts, Mr. N. S. McBain, Mrs. H. M. Hodges, Mr. and Mrs. E. Nissin, Dr. C. L. Park, and six midshipmen of H. M. Navy, Messrs. J. Hayes, P. C. S. Penoyre, C. H. C. Adams, R. A. Mowbray, R. C. C. Haines, and H. D. Mathew.

Mr. C. D. Pearson, engineer-in-chief and manager of the Shanghai Waterworks, is leaving by the C.P.O.S. Empress of Canada to-day. Mr. Pearson, who returned from leave, which was deferred from last year, in order to assist in the inquiry into the managerial methods to which the company agreed, will spend about a month in America, where he will meet the company's American advisers, visit some of the newer plants as he has done on previous occasions and, he hopes, participate in an engineering conference. After America, he will spend Christmas and celebrate his silver wedding at Home, where he expects to find more work awaiting him.

A treaty of commerce and navigation between Japan and Portugal will be signed shortly, its main feature being the removal of discriminatory treatment.

MILITARY training for the members of the Postmen's National Salvation Army, which was recently organized, will commence on Sunday, according to a decision of the Postal Employees' Union. It is expected that more than \$10,000 will be raised this month to meet the necessary expenses, in addition to which each member will contribute ten per cent. of his salary to the fund.

IN the course of a letter to the local trade associations and labour unions, the Shanghai District Kuomintang appeals to all Chinese to unite and concentrate their efforts in dealing with foreign invaders instead of engaging in trivial labour disputes which are of no importance when compared with the present national calamity. The letter suggests that all disputes should be amicably settled within a fortnight and workers are asked to drop whatever demands they may have presented. In accordance with this, the labour unions have agreed to suspend all demands for the time being.

SPORTS AND PASTIMES

WORLD'S BASEBALL SERIES

St. Louis Cardinals Win Championship: New York Yankees Beaten

Philadelphia, Oct. 5. Staging a hit-sproe and holding the Philadelphia Athletics scoreless until the ninth inning, the St. Louis Cardinals, the National League champions, won the third game of the 1931 World's Series by a score of 5 to 2 here to-day, so that they now have a lead on games of 2 to 1. Al Simmons' home run in the final frame, which scored Mickey Cochrane ahead of him, was not enough to overcome the commanding lead piled up by the Cardinals.

President Hoover attended the game, having travelled from Washington to witness the baseball classic, and he threw out the first ball.

The first inning was scoreless, but in the second frame the Cardinals made three hits into two runs. Again in the fourth inning, with the Athletics helpless, the Cardinals scored two more runs on three hits. It was not until the fourth inning that a Philadelphia player so much as reached first base. The Cardinals scored their fifth run in the ninth inning, but by that time they had the game safely in the bag. The ninth inning rally of the Athletics saved them from being shut out twice, but it could not save them from a crushing defeat on their own ground.

Old Lefty Grove pitched for the Athletics for eight innings, and he was relieved on the mound in the ninth frame by Mahaffey. Burleigh Grimes pitched all the way for the Cardinals, yielding only two hits. Mickey Cochrane was behind the plate for the Mackmen all the way and Jimmy Wilson again caught for the Cardinals.

Oct. 6.

Turning the tables completely, the Philadelphia Athletics this afternoon blanked the St. Louis Cardinals by a score of 3 to 0 and thus evened the score for the 1931 World's Series at two games all. The great pitching of George Earnshaw for the Athletics was the feature of the day. At all times, he was as steady as a rock, he yielded only two hits, and never was in danger of losing his game.

Silvester Johnson started on the mound for the Cardinals, but, although he tried hard, he offered many balls and finally blew up. Lindsay replaced Johnson in the sixth inning, after the Athletics had scored two runs, including Jimmy Fox's home run. Lindsay lasted only until the eighth frame, when Paul Derringer went in as the third and final St. Louis twirler of the day. Johnson, as well as Lindsay, was wild at times. The St. Louis hurlers were unable to exercise the control needed in the face of such an array of heavy hitters as the Athletics.

Oct. 7.

Defeating the Philadelphia Athletics by a score of 5 to 1 here this afternoon, the St. Louis Cardinals took a one-game lead in the 1931 World's Series. The Redbirds need but one more victory to win the series, while the Athletics must take two straight games if they are to achieve their ambition to win three consecutive World's Series.

"Wild Bill" Hallahan, who shut out the Athletics in the second game of the series, in St. Louis, pitched all the way for the Cardinals to-day. He yielded nine hits, but they were kept well scattered. The Athletics sent three pitchers to the mound, but they were unable to stop the onslaught of the Cardinals. Waite Hoyt started the game, but in the seventh frame he was sent trotting to the showers and Rube Walberg relieved him. Walberg lasted only until the ninth frame when Eddie Rommel went in after the Cardinals had the game safely won.

Hallahan held the Athletics scoreless until the seventh inning. In that frame the Mackmen scored their lone tally when they bunched three hits and enabled Al Simmons, who had singled, to cross the rubber. The Cardinals did their most devastating work in the sixth inning. Johnny Martin, the No. 1 batsman of the series to date, cracked a home run into the left-field stand after Frankie Frisch had batted out a two-bagger ahead of him.

The Cardinals were cheered for getting off to a flying start in the very first inning, when Andy High scored the first run of the game. The Redbirds scored their fourth run in the eighth inning and in the ninth frame they chalked up their final tally.

In all, the Cardinals collected twelve hits from the trio of Philadelphia pitchers. They bunched them to excellent advantage and there was no question to-day as to who were the better team. Even the staunch Philadelphia partisans were moved to wild ovations in recognition of the work of the National League champions.—United Press.

St. Louis, Oct. 9.

Playing superb baseball, backed by the steady pitching of Lefty Grove, taking full advantage of the breaks in their favour, and bunched their hits when they counted for most, the Philadelphia Athletics to-day defeated the St. Louis Cardinals by a score of 8 to 1. By winning the sixth game of the 1931 World's Series, the Mackmen have tied the score for the annual baseball classic at three games all. The seventh and deciding game will be played in Sportsman's Park to-morrow afternoon.

To win their game to-day, the Mackmen scored four runs in the fifth inning and in the seventh frame four more. Four of the St. Louis pitchers were badly manhandled by the players from Quaker Town.

Through the first four innings of the contest, Grove and Paul Derringer engaged in a pitchers' duel and there were no scores for either side, but in the fifth frame Derringer exploded and Sylvester Johnson was sent in to replace him. Johnson lasted only until the seventh inning and then Lindsay was sent to the mound. Lindsay held no fears for the Athletics and he was sent to the showers between the eighth and ninth innings. Flint Rhem went to the mound in the ninth inning and with him went Mancuso, who caught the last frame for the Cardinals in place of Jimmy Wilson. It was the first time during the Series that Wilson had been relieved of the arduous duties behind the plate.

Only in the fifth inning did the Cardinals manage to score. Then, on a double and a single, Flowers was able to cross the rubber with the first and only tally of the game for the Cardinals. There were no

home runs, but the spectators had thrills enough in the fifth and seventh innings and because of the fact that the Series is tied at three games all. The Mackmen, who are struggling to win their third consecutive World's Series, still have a chance at the title to-morrow. There were two errors chalked up against the Cardinals, the worst of which was made by Chick Hafey when Lindsay exploded in the seventh inning. Mickey Cochrane dropped a ball in the ninth frame and got the only error against the Athletics. In the fifth inning the Athletics scored their first four runs on two hits and a St. Louis error. Their four tallies in the seventh inning were scored on three hits and Hafey's error.

The weather was ideal, with bright sunshine and a cool breeze. Hundreds who cheered the players on had to stand throughout the entire game.

Oct. 10.

For the first time since 1926, when they defeated the New York Yankees, the St. Louis Cardinals to-day became the world's baseball champions, when, by a score of 4 to 2, they defeated the Philadelphia Athletics in the seventh and decisive game of the 1931 World's Series. The series was the first since 1926 to have gone to seven games. The victory of Gabby Street's Redbirds blasted the hope of Cornelius McGillicuddy, the veteran pilot of the Athletics, that he would be able to annex his third consecutive World's Series.

In all departments, the Cardinals outplayed the Mackmen and proved themselves to be worthy champions. Burleigh Grimes and Wild Bill Hallahan between them yielded only seven hits to the Athletics, but they were well scattered. George Earnshaw and Rube Walberg, who did the mound work for the quarter town players, gave only five hits to the Cardinals, but the latter never missed a chance to take advantage of the breaks in their favour and they bunched their hits when they counted for most.

Grimes held the Athletics scoreless until the ninth inning, when he exploded and yielded two hits and two runs. He was quickly pulled out of the box in the final frame and Hallahan, the hero twirler of the series, was sent in. He stopped what had threatened to be a dangerous Philadelphia rally. In the ninth frame, Connie Mack was so confident that his players would tie the score that he began warming up Lefty Grove, thinking the Cardinals would have to go to bat in the ninth frame and that Walberg would have to be relieved, as Earnshaw had been relieved.

The Cardinals got into Earnshaw at the very start of the game. In the first inning, they scored two runs on two hits and an error which was chalked up against Jimmie Foxx. Andy High and Jim Wat-

kins scored the first two tallies for the new Champions.

The Cardinals scored their other two runs in the third inning. After High had singled into the right edge of centre-field, Watkins stepped up to the rubber and batted a sizzling home run over the right field stands. As Watkins loped around the bases with High leading the way, the St. Louis supporters became hysterical. St. Louis has been baseball mad for several days and in the post-mortems after the game to-night the town was recalling the good old days of Rogers Hornsby and Grover Cleveland Alexander. In the sixth inning Johnny Martin did his best to slam a home run for the Cardinals, but he succeeded only in hitting a foul ball with such terrific force that he broke his bat.

Earnshaw pitched for the Athletics until the eighth inning, when Mack sent Walberg in to save the Quaker Town club from further damage. It was only because Grimes exploded that the Athletics were able to start what for a time looked very much like a dangerous ninth inning rally. The Mackmen scored their two runs after Dykes had walked. Williams singled and then Cramer singled. The hitting scored Miller, who had forced Simmons. Simmons had taken his base on balls. The hitting also scored Dykes. At this point, Grimes was pulled out of the box and Hallahan went in to end not only the game but the series.—United Press.

NEW 30 KILOMETRES RUNNING RECORD

Vienna, Oct. 10.

The Argentine champion runner, Zabala, made a new world record for thirty kilometres to-day. He ran the distance in 1 hr. 42 min. 31.2 sec.

The previous record of 1 hr. 43 min. 7-4/5 sec. was held by a Finn, Sipilae, who made it at Tampere, Finland, in September, 1928.—Reuter.

TENNIS MATCH WON BY FRANCE

London, Oct. 10.

The international lawn tennis tournament between the clubs of Great Britain and France was resumed at the Queen's Club this afternoon, and resulted in a victory for France by 8 matches to 7.

At the end of the first day's play the score was four matches all.—Reuter.

Frislein Cilly Aussem, the Wimbledon and German tennis singles champion, will sail from Genoa shortly for a tour of South America. This will be her first visit to the new world, and she will participate in tournaments in Brazil, Argentina, and Chile. She will probably return to Germany in December.

HONGKONG SKIPPER'S VICTORIOUS

Yachting is the youngest of the Interport sports, and so far Hongkong and Shanghai have been the only competitors. So far, also, Hongkong have been the only winners, though they were frank in their admission on October 11 that they were somewhat lucky to claim the victory in this year's series.

The most satisfactory part of the contests has been the keenness of Hongkong in Shanghai. To the average yachtsman, Shanghai would seem to offer the poorest possible facilities for boat racing, especially as compared with Hongkong, with its splendid open water. During their first visit, Hongkong met with the tail-end of a typhoon and had no sailing worth considering. This last week-end, they had wind aplenty and certainly exciting sailing, for there was a boat over in every race, and they are still asking why Shanghai decries its yachting possibilities. The houseboat life appears to attract them.

All Shanghai yachtsmen are prepared to admit that the first Interport yachting venture here was a washout, but only because of the weather, and not for any want of enthusiasm. This last week-end was quite different. The High Bank Reach seemed to be full of houseboats, cruisers, and racing boats, and was a blaze of bunting. Best of all, there was wind—indeed, almost too much of it, for it was a double-reef business all the time. In the end, Shanghai lost by two points, and were distinctly unlucky to have failed at all, for it happened that the younger Neil, their crack racing skipper, took a few too risky chances and so lost them points which would have been sufficient to give them a handsome win.

Two races were sailed on Saturday and two on October 11. On the first day the teams had four Byrnes boats on each side, but yesterday, owing to casualties, only three, of these was a capsized in every race. The victors, as all others who have sailed them have been, were most enthusiastic over the sporting qualities of the Byrnes boats. The teams were:—

Hongkong—Major Barry, Major Stewart, Lieut. Coughman, Mr. A. Dwyer.

Shanghai—W. D. Neil, J. G. B. Dewar, C. B. Blaikie, H. C. Brown.

The course was a reach, a beat, and a run and it was very close work all the way, with Shanghai eventually scoring handsomely, for they had the first three and the fifth boat in. Changing boats, the skippers went out again later in the afternoon, in an even stiffer wind, and this time it was Hongkong's turn, but the victors did not manage enough to bring them on terms. They got the first and second boats home, and the fourth and sixth, Shanghai thus finishing the day with what should have been a winning lead.

Sunday was Hongkong's day, for, despite the fact that the boats were strange to the visitors and the wind was even stronger than on the first day, they scored very handsomely, and they were assisted by the fact that boat a capsized in each race. In the first event, Gordon Dewar romped in an easy winner, but his success was offset by the fact that Hongkong claimed second, third and fourth places, and in the final race they came in first and second. This brought the total score of points to a difference of two in Hongkong's favour.

SHANGHAI BOWLS TEAM BEATEN

Hongkong, Oct. 10.

The Interport bowls match between Shanghai and Hongkong was won by the Colony team this afternoon by 25 shots to 16. It was a good game, and was dominated by the Hongkong skip, Cullen. Shanghai led at one time and looked like making an excellent fight for the honours, but they fell off towards the end, when Hongkong played more brilliantly.

The teams were:—Shanghai—Glover, Medina, Richards, Main (skip).

Hongkong—Puncheon, Holland, Fraser, Cullen (skip).

Hongkong early went into the lead and by the eleventh head led by 14 shots to 4. Then Shanghai came along with a great spurt and put on twelve points in six heads without a reply from Hongkong. In the last four heads, Hongkong scored 11 points, including five in the eighteenth. Shanghai failed to score another point.

It was Cullen's match. He was brilliant all the time. Main played very well, but he could not cope with the masterly final shots of Cullen.—Reuter.

PICKING THE PICNIC SPOT

By GLUYAS WILLIAMS



SOPS CAR. EVERYBODY AGREES MEADOW ON RIGHT WILL BE A FINE PLACE TO EAT LUNCH

FAMILY GOES AHEAD WHILE HE DISEMBARKS LUNCH AND FOLLOWS

REACHES MEADOW BUT SEES NO SIGN OF FAMILY. THEY FINALLY CALL FROM WOODS IT WAS TOO SUNNY THERE

FOLLOWS. AUNT EM APPEARS AMONG TREES TO SHOUT IT'S DAMP HERE, THEY'RE GOING ON

EMERGES FROM WOODS JUST AS THEY ARE DISAPPEARING OVER HILLTOP. HALLOOS BUT CAN'T MAKE THEM HEAR

TRUDGES ON, UNTIL JUNIOR COMES UP FROM BEHIND TO REPORT THERE WERE COWS THERE AND THEY'VE GONE BACK TO THE MEADOW

TRAILS BACK TO MEADOW, MUTTERING

REACHES MEADOW AND FINDS FAMILY HAS DECIDED TO EAT IN THE CAR

7-27

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GLUYAS WILLIAMS

HOME SOCCER

London, Oct. 7.
Before a huge crowd of spectators at Villa Park, this afternoon, the Arsenal, the League champions, defeated West Bromwich Albion, the Cup-holders, by the only goal of the match for the Football Association Charity Shield.

The London team were also successful last year, on that occasion their opponents being Sheffield Wednesday, who lost by two goals to one at Stamford Bridge.

Oct. 10.
As the result of the matches played this afternoon, the two promoted teams, West Bromwich and Everton, now occupy first and second position in the League table. West Bromwich were held to a draw by Huddersfield, but Everton won in decisive fashion against Sheffield United. Incidentally, it was also gathered a bad day for Sheffield, for the Wednesday received a setback at the hands of lowly Leicester City, who won by the odd goal in five in a match replete with thrills.

Scores of to-day's matches follow:—

English League, 1st Division.
Aston Villa 2, Bolton W. 1.
Blackburn R. 2, Manchester City 2.
Blackpool 1, Arsenal 5.
Derby County 2, Birmingham 1.
Grimsby Town 1, Chelsea 2.
Huddersfield 2, W. Brom A. 2.
Leicester City 3, Sheffield W. 2.
Liverpool 2, West Ham U. 2.
Newcastle U. 3, Middlesbrough 1.
Portsmouth 0, Sunderland 0.
Sheffield United 1, Everton 5.

2nd Division
Bradford 2, Southampton 1.
Brighton 4, Bournemouth 1.
Bury 1, Leeds United 4.
Charlton Athletic 1, Millwall 3.
Manchester U. 3, Preston N. E. 2.
Nottingham F. 3, Chesterfield 0.
Oldham A. 2, Swansea Town 0.
Plymouth A. 3, Notts County 4.
Port Vale 2, Bradford City 0.
Tottenham H. 1, Burnley 1.
Wolverhampton W. 0, Stoke City 1.

3rd Division (Southern)
Brentford 2, Northampton T. 0.
Brighton & H. A. 4, B'mouth & B. A. 1.
Clapton Orient 1, Torquay United 3.
Coventry City 3, Luton Town 2.
Exeter City 3, Cardiff City 1.
Fulham 1, Southend United 1.
Mansfield Town 1, Crystal Palace 1.
Norwich City 2, Queen's Park R. 1.
Swindon Town 2, Bristol Rovers 1.
Thames 0, Reading 0.
Watford 2, Gillingham 0.

3rd Division (Northern)
Chester 4, Barrow 2.
Darlington 2, Walsall 0.
Doncaster 3, Halifax 3.
Hartlepool 1, N. Brighton 0.
Lincoln City 1, Hull City 0.
Rotherham 0, Wrexham 0.
Southport 3, Rochdale 1.
Stockport 3, Carlisle U. 0.
Tramerra 3, Carlisle U. 0.
Wigan Borough 2, Gateshead 1.
York City 3, Crewe 0.

Scottish League
Airdrieonians 3, Leith 2.
Ayr United 2, Morton 1.
Celtic 1, Clyde 1.
Cewdenbeath 1, Hamilton 0.
Dundee 1, Kilmarnock 1.
Hearts 2, Falkirk 0.
Motherwell 3, Bre. United 0.
St. Mirren 4, Aberdeen 2.

Glasgow Cup Final
The Rangers this afternoon won the final of the Glasgow Cup in easy fashion, defeating Queen's Park by three goals to nil. The amateur aggregation were no match for the Scottish League champions.—
Reuter.

RESULTS OF RUGBY GAMES AT HUME

London, Oct. 10.
The following were the results of Rugby Union matches played this afternoon:—

Rosslyn Park 0, London Scottish 10.
Newport 18, Blackheath 6.
King's College Hospital 16, London Irish 34.
Harlequins 6, United Services (Portsmouth) 6.
Cambridge U. 35, Old Leysians 0.—
Reuter.

42 YEARS RACING RECORD BROKEN

London, Oct. 12.
A racing record which has stood for over 42 years was broken to-day by the victory of the Golden Hair colt in the Imperial Produce Stakes at Kempton Park.

With to-day's win, Joe Lawson, the celebrated training trainer, brought his stake-money winnings this season to £31,484, thus beating George Dawson's previous record of £76,875 established in 1889.—
Reuter.

POLITICS SPOILING SPORT

The Honorary Secretary of the Shanghai Football Association states that he has received the following communication from the Chaotung University (Nanyang) Football Club:—

"We have to inform you, with keenest regret, that, owing to unforeseen circumstances, our team will be unable to play in the present season. Our team members have been obliged to take up military training in lieu of football. Apologising for inconveniences thus created and wishing you a successful season."

Chaotung had been admitted to "A" Section of the Third Division of the League. A decision as to which, if any, club shall be admitted to take their place in the League will probably be made by the Executive Committee of the Association to-day.

It is also notified that the Association, "having been informed of the existence of a certain element of discord between the Chinese and Japanese nations," has decided to refrain, till further notice, from putting on any matches between Chinese and Japanese teams and clubs.

AMERICAN FOOTBALL RESULTS

New York, Oct. 10.

The scores of the leading football games played in the United States to-day follow:—

Army, 20; Michigan State, 74.
Georgia, 26; Yale, 7.
Michigan University, 13; Chicago, 7.
Notre Dame, 0, Northwestern, 0 (tie).
Maryland, 6; Mavy, 0.
University of Southern California, 38; Washington State, 6.
Oregon, 19; Washington University, 0.
Harvard, 59; New Hampshire, 0.
Brown, 19; Princeton, 7.
Carnegie Tech, 13; Georgia Tech, 0.
Temple, 5; Pennsylvania State, 0.
Purdue, 7; Illinois, 0.
Wisconsin, 7; Alabama Polytech, 7 (tie).
Dartmouth, 14; Holy Cross, 7.
Colgate, 16; Lafayette, 0.
Pennsylvania, 14; Franklin and Marshall, 0.

New York University, 34; Georgetown, 0.
Vanderbilt, 26; Ohio State, 21.
Columbia, 37; Wesleyan, 0.
Ohio University, 33; Dennison, 0.
Kansas, 30; Milliken, 0.
Pittsburgh, 14; West Virginia, 0.
Nebraska, 13; Oklahoma, 0.
Tennessee, 38; Mississippi, 0.
Cornell, 27; Richmond, 0.
California, 6; San Francisco Olympic Club, 0.
Stanford, 13; Minnesota, 0.
Kalamazoo, 19; Notre Dame's "B" Team, 7.
Marquette, 40; Ripon, 0.
Denver University, 25; Mexico University, 6.
Detroit, 20; Iowa State, 0.
Drake, 19; Creighton, 6.—United Press.

SOUTH AFRICA WINS RUGBY MATCH

London, Oct. 8.

The South African Rugby tourists this afternoon won their second match, defeating Newport by 15 points to 3.
The Springboks will play 26 games during their tour. It is expected that the team, as its predecessors have done, will be only really tested in the International matches, the first of which takes place on December 5, at Swansea, against Wales.

Oct. 10.
The visiting South African Rugby XV journeyed to Swansea to-day and beat their hosts by 10 points to 3.
The Springboks have conceded one try in each of their three matches so far.—Reuter.

PRICKET WINS DUKE OF YORK H'CAP

London, Oct. 10.

Pricket, owned by Mrs. Arthur James, won the Duke of York Handicap (11 miles) at Kempton Park this afternoon, beating Dancing Toy by a neck, with Philae, a neck away, third.

The betting was:—7/1 against Pricket, 100/8 against Dancing Toy, 8/1 against Philae.—Reuter.

ANNOUNCING that he is holding himself in readiness in case his services are needed by the Central Government in regard to military action against Japan, Marshal Wu Pei-fu, former Chihli warlord, is reported by the Chinese press to have sent a telegram to Mr. Yu Yu-jen, president of the Supervisory Yuan, offering to serve the Government in the present national crisis.

LETTERS TO THE EDITOR

SINO-JAPANESE CRISIS
A Reply to Mr. T. Funatsu.

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—May we not be living in a fool's paradise? This vaunted immunity and security which we profess for our Shanghai, is it substantially founded? Or is its proper analogy to be found in the hectic flush on the cheek of the consumptive, which inevitably cannot survive the decay of the body. Surely we cannot be certain of our health to-morrow, if China's body of relations with its immediate neighbour Japan remains in the unhealthy state we find it to-day.

In the possibility of an open breach between China and Japan, British and American trade in China is to-day confronted with a threat at least equal to that which we aver attends the possibility of the abolition of extraterritoriality. Are local Britons and Americans alive to that fact? If so, why are they so clamant on other occasions for a hearing, doing nothing to remind their Home Governments of the peril of trade strangulation which will certainly attend such a breach? To those foolishly enough to believe that military measures in China on Japan's part will somehow redound to a securely founded stimulation of foreign trade here, I do not address myself.

I am led to refer to your leader "The Two Views" in your issue of October 1, and to your correspondent Mr. T. Funatsu's comment thereon. I disagree with Mr. Funatsu's implication that your editorial emphasis selects the abandonment of the boycott, rather than the instrumentality of the League of Nations, as the more effective of the alternative agencies for the liquidation of the present impasse in Sino-Japanese relations. I cannot but believe that your editorial assent will be given to my selection of the following from your leader as the essence for paramount emphasis:—

The seeds of widespread trouble in the Far East are latent in this issue between the countries. Their sterilisation can be effected only by unreserved reliance on the power of negotiation and, consequently, on the ultimate verdict of the League.

Of course we counsel patience on the part of the Chinese people; but it is farcical for foreigners to suggest that the Chinese Government should order the abandonment of the boycott. Chinese soil is in the hands of the invader—and yet we foreigners have the audacity to suggest that the Chinese people are not entitled to express themselves on the subject in a very natural and popular way! Any Chinese Government which at this date ordered and tried to enforce the cessation of the boycott would be chucked out lock, stock and barrel. Let us not, then, ask of the Chinese Government the impossible; nor bring against it the absurd charge that inability to order such cessation is justification for our demanding forfeit of its title to be the Government. It is surely inconsistent that we Britons and Americans—who have tutored China in the notion that government is properly the expression of popular will, should now deny that notion scope for expression by our erstwhile pupils.

Let me remind Mr. Funatsu that, strange as it may seem to him, the Chinese somehow feel that, quite the contrary to what he says, it is not China but Japan that "brandishes the weapon in the face of her next door neighbour." If he thinks that this is no general feeling, or that it has no substance, let me assure him that he errs grievously. I will not analyse the cause (since my aim is to show that that is a fitting function for the League), but the fact that there does exist a deep-rooted feeling of grievance on the part of the Chinese people against the Japanese, of a nature so serious as to require a major operation and not plasters to cure. But what solution does Mr. Funatsu offer? Nothing more than to require of China that she abandon the boycott. And he would presume to place to the responsibility of the boycott alone, the possibility of a Japanese military invasion of the Yangtze. In the face of such an admission of the extent to which his Government would proceed, can he be surprised that every Japanese proffer of friendship is suspect and will remain suspect until such time as her Government gives better

evidence to the world of the honesty of her motives in China?

But to return to my main point. Patently there is a stalemate. Each believes the other wrong, and each requires that the other make the first admission. For what more express purpose, then, has the League been created other than to liquidate this stalemate? Writing very recently, Professor Arthur Holcombe, of Harvard University, whose authoritative voice on China has received wide recognition, has this to say on the need for the League to exercise its functions in matters affecting China:

It is interesting to speculate upon the possibilities of intervention in Far Eastern politics by the League of Nations, or by that more nebulous association of Powers to renounce war as an instrument of national policy, which is the creature of the Briand-Kellogg Pact. It is enough to suggest that action by either of these agencies is more promising than any that could be expected from a reconstructed concert of the Powers. It is evident that the break-down of the Far Eastern concert . . . has given the control of Far Eastern waters to the Japanese. If force is the ultimate power in international relations, this means that the decisive voice in Far Eastern diplomacy must also be recognised as Japanese. Be that as it may, it is inevitable that the Japanese should bear the chief burden of international action in the Far East, and that the other Powers should look either to the League or to the association created by the Briand-Kellogg Pact, as the appropriate agency for inspiring in the Japanese, if necessary, a due sense of responsibility to the family of nations for its use of its paramount power in Far Eastern waters.

China is looking to the League to do its duty. It is enthusiastically and confidently staking its all on the potency of that instrument. If its enthusiasm is made a mockery, its confidence betrayed, the outcome bodes ill for the peace of the Far East. By no means is this reference to the League on China's part a mere "bright idea," a device accidentally hit upon. It is entirely consistent with the previous reliance upon and resort made to the League, which have been one of the encouraging features of the regime of the present National Government. Moreover, contrary to the prevalent belief among many foreigners, who talk glibly but unintelligently of an all-pervasive anti-foreignism on the part of the Chinese, I would point out that China's political ideology postulates broad internationalism as opposed to a narrow nationalism. Sun Yat-sen aimed to promote patriotism among the Chinese rather than what the West calls nationalism. The admittedly all-too-frequent resort in this country to a narrow nationalism will gain terrifically in impetus if the League should fail to function now, and radicalism will receive a sanction which we may well rue. Let not some of the deeper implications of the student attack upon Dr. C. T. Wang, utterly condemnable as it is, be entirely lost upon us.

If any means exist whereby Britons and Americans in Shanghai can urge upon the League the necessity to justify its existence, let these means not be overlooked.

AN ENGLISHMAN.
Shanghai, Oct. 5, 1931.

A Chinese Comment

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—Referring to a Japanese Comment by T. Funatsu as appearing in your correspondence column to-day. I take this opportunity to ask that Japanese and your readers the following:

(1) "Japan's treaty rights and national interests were often menaced . . . at the hands of China, etc." Was the taking over of our Formosa at the point of bayonet by the Japanese a menace to Japan's or China's national interests? Was the annexation of our Korea by the Nipponese a menace to China's or Japan's sovereign right? Were the Twenty-one demands imposed upon China by Japan a menace to China or Japan? Were the massacres of Chinese in Taiwan, including Commissioner Tasi, by the Japanese a fulfilment of Japan's national aim of securing a peace of arms and armaments, the bombing of innocent passengers in the train, and the occupation of Manchuria, a Japanese special privilege in the Far East?

(2) "To make matters worse boycott tactics of Chinese brand 'Discontinuation of economic relations' are . . . the most wicked in the wide world, etc." Are the boycott tactics of Chinese the most wicked, but not the most deadly and

ruinous to Japan? Why should we Chinese not resort to boycott against the Japanese, when they murdered us, robbed us of our territory and committed all sorts of crimes, while we are setting our house in order? Hath not China eyes? Hath not she hands, organs, dimensions, senses, affections, passions? Fed with the same food, hurt with the same weapons, subject to the same diseases, healed by the same means, warmed and cooled by the same summer and winter, as you do? If you pinch her, does she not bleed? If you tickle her, does she not laugh? If you poison her, does she not die? And if you wrong her, will she not take revenge?

(3) "That China's dependence on Japanese friendship is great, etc." Should China depend upon others? Absolutely not. "Know thyself" should be her motto. Who was he that would immediately withdraw her troops from the occupied territory of China, rest assured your Japanese correspondent will have no "grave concern" in the state of things in and around Shanghai.

"A VOICE FROM THE WOOD".
Shanghai, Oct. 3, 1931.

A Japanese View

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—I read with interest in to-day's issue of your valuable paper what "An Englishman" and "A Voice From the Wood" had to say about the unhappy incident in Manchuria and consequent anti-Japanese agitation throughout this country. They both referred to Mr. T. Funatsu's letter about the same subject appearing in the Readers' Column in your issue of Oct. 2, which, to my great regret, I haven't read yet. The former writer, apparently an Englishman, handles the complicated subject quite ably and with good reason. I pay my sincere respects to his profound knowledge on various problems that are confronting us in the Far East and at the same time I want to express my gratitude towards him for his endeavours to persuade us, I mean both China and Japan, to come to an amicable settlement as soon as possible, though he seems to take a stand rather against Mr. T. Funatsu in his argument. As for me I am ready enough to follow his advice even to allow intervention of a third party for the speedy settlement provided that Japan's treaty rights and national interests in Manchuria shall be safeguarded against any infringement in future. The world has already recognized that the Manchurian problem is to Japan a problem of vital importance, life or death one. They have also recognized that Japan has no territorial ambition in Manchuria. Japan has invested 1,500,000,000 yen in Manchuria (against the total sum of 500,000 yen invested by the other foreign countries) and there are 500,000 Japanese nationals besides 500,000 Koreans earning their livelihood there. I wouldn't say here what a great sacrifice, both in human lives and material things, Japan had to make for warding off the foreign invasion so as to keep peace in the Far East. The very thought that Belshazzar would have been prevalent throughout China had Japan's timely assistance not come to check the aggressive policy of Russia makes every one shudder in dread in whose heart there beats a vein of love and peace. These are the things to be recognized by the Chinese themselves as well.

I read also with care the epistle of "A Voice From the Wood", a Chinese gentleman, as its writer declared himself to be. I attribute his overmuch enthusiasm upon the subject as shown by his somewhat provocative letter to his misguided (excuse me to use the word as it happens to find no better word at my command just now) patriotism. Let it be known once for all that my intention to write this letter is not to evoke any ill-will—far from challenging the Chinese gentleman. It is my humble opinion, my dear sir, that if anybody tries to use for selfish purposes the public rostrum you so generously give us your readers for fair discussion and square dealing to our mutual benefit, he is most atrociously abusing his privileges. It would be especially so at this moment of international emergency. With such a view

in my mind I regret to say I read the letter with no less aversion, fearing that it might incur the displeasure, even indignation, of a fair-minded man to put, as it were, fuel to the fire. Narrow-minded patriotism is ever prone to petty felism. We are not living in feudal times when the bloodiest fought each other in cold blood for their own chieftains. Human vision has broadened remarkably of late as world civilization advances, and we are realizing the fact that we are members of one gigantic Community called the International Association of the Whole World. Needless to say that we must love our own countries first of all just as we love our own families best, but we must not regard other countries or families as our enemies as it was in olden times. I respect Mr. "A Voice", however, as a patriot and gentleman, for I believe him to be in earnest no matter how erring his argument may seem to me.

Here I want to express my deepest sorrow for the disastrous incident of Sept. 18 and immediately afterwards in Manchuria. A great deal of protestation as well as of vindication can be said on both sides. It is useless and futile to propagandize on each side at present as at any time. But it must be sincere, in dealing with each other and be willing to acknowledge their own faults. This is the only way by which we can hope to arrive at any satisfactory settlement. Now Japan is doing her best in order to prevent the expansion of disaster in Manchuria. It is clear enough even to school children that the immediate withdrawal of Japanese troops from Manchuria (as some shallow-minded propagandists insist upon) would throw the land into chaos in every meaning of the word. We Japanese would have dispensed with military tactics if we could have done so. There has been no other way, however, than to resort to armed force in order to keep up peace and order in Manchuria. It is my ardent desire, however, that those agitators up in the north will come to a speedy understanding so that peace and order may be maintained without the help of the troops.

In conclusion let me emphasize the urgent necessity of our bringing about our satisfactory settlement as speedily as possible. A moment's delay may cause us an irretrievable calamity and ruin us forever. We both Chinese and Japanese must realize that we are facing an imminent danger of being thrown nilly-willy into a most dreadful, disaster. I mean the final rupture of diplomatic relations between the countries. Let us shake hands (China and Japan) at once and avoid the otherwise inevitable consequence of the present disastrous situation in this country.

H. K. MATSUDA,
Shanghai, Oct. 7, 1931.

Sobriety at Work

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—Your leader this morning says much which requires saying at this time, and it is plain that a desire for sobriety of judgment informs the policy of the "N.C.D.N." So be it. But without clarity of thinking no judgment of any sort is obtainable, and on that ground I venture to criticize your statement that in the matter of "the dissemination of inflammatory leaflets and posters the Japanese have every right to look with anxious severity." The Japanese Government has taken the attitude she has vis-a-vis the Council of the League of Nations, and since then the situation has become what it is. She has every right to be anxious, and if no League of Nations existed or she had no part in it, a sympathetic supporter of her treaty privileges might claim that she had a right to be severe. As it is, she has forfeited her right to severity.

Further, your leader makes the distinction between the "natural expression of resentment" and "those patently provocative demonstrations, etc." I think the distinction at this time is a valuable one. But it is misleading merely to make such a statement as also the one earlier in the leader about "inflammatory appeals to youths." It would appear calculated to convey the impression that here and now Chinese feeling is expressing itself with the same recklessness as it did in 1915 and 1928. I venture to assert that this is not close to the truth, and to challenge any one in close contact with Chinese opinion to prove I am wrong. There is indignation and resentment, but the iron has gone deeper than any ebullitions of rage or provocative demonstrations can satisfy or express. So we have 1915 and 1928 again but with a very vital difference.

I find the predominant psychology of the moment to be one of suffering, suffering induced by the fact that sobriety of judgment is active by work. There has been no occasion in recent years in which Chinese mass feeling has been so realistic in its sense of national weakness, no occasion on which this sense has led to so much harsh thinking in individuals. And from that has arisen, for example, the entire freedom with which the Japanese in Shanghai have gone about their business and pleasure during these days. In Hongkew the Japanese community lives cheek by jowl with the Cantonese community—not the meekest in China—and yet children go to school, women to market, pleasure mongers roam the streets at night, and hardly a soul has been molested. So then, Japan has a right to be anxious. She has no right to be severe.

Yet there is one right, commonly conceded but of very dubious ethical force, which Japan is using to the full. I refer to the right to show that whether she has blundered or not she is not going to be put upon by any one. To this the Chinese reply with the practical logic that they are not compelled to support Japanese industries. That action may cause Japan anxiety, but the note of severity in her communications with the Chinese Government is only one of two alternatives. It is either the brandishing of the sword, or it is propaganda. In either case there is no question of rights.

E. R. HUGHES.

Shanghai, Oct. 7, 1931.

Selling Goods By Force?

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—The recent seizure by Japanese troops of strategic points and important towns in Manchuria, followed by wanton destruction of property worth millions of dollars and massacre of hundreds of people has stirred up profound indignation among our people, young and old, poor and rich, throughout the length and breadth of this country. Disappointed in the failure of the League of Nations to uphold justice and dissatisfied with the "weak-kneed" policy of the Government in coping with the present crisis, the people have of their own accord resorted to boycotting Japanese goods as a counter-move against the Japanese military activities in our Manchuria.

Pinched with the intense and widespread boycott movement now in full swing the local Japanese merchants cabled Tokyo demanding that such activities be suspended, failing which drastic and effective steps will be taken. Literally the threat means that military force will be employed if we keep on boycotting their goods.

Here is the simple and interesting question: Is it justified for one country to force the people of another country to buy its goods at the point of bayonet?

H. C. TAI.

Shanghai, Oct. 7, 1931.

The Case for a Commission

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—It is only Japanese psychology that could develop a state of mind such as Mr. Funatsu indicates in his letter of October 3. He totally ignores the depredations of his country's military and individuals in China, and foolishly expects the Chinese to overlook them also.

Treaty rights gained at the point of the sword rarely profit one anything. If China acknowledged and confirmed all the treaty rights that Japan has tried to force her into, she would be non-existent as an independent country.

How can any Chinese be expected to regard Japan as anything but an enemy? Speaking more broadly, how can anyone, of any nationality, who respects the rights of others, and who wishes for peace and good will among peoples, look at Japan with a friendly eye?

Mr. Funatsu deplores the boycott of Japanese goods, and the display of an antagonistic feeling on the part of Chinese. Does he think they are made of stone? Does he really expect the Chinese people to stand his countrymen's constant insults and aggressions, and remain calm and smiling, with the hand of friendship outstretched to him? If so, he has the mind of a child.

People have the inalienable right to buy where and what they will. I do not believe in a forced boycott. There is no need for associations and regulations. Japanese goods will stop coming into the country if people refuse to buy them. It is

up to the people of China to decide this question, each one to himself, as to whether he is patriotic enough to refuse Japanese goods. No one can take exception to this voluntary action on the part of individuals, and no force on earth can stop or control it.

Mr. Funatsu's queer psychology again shows itself when he accuses China of acting contrary to assurances given to the League of Nations. The only way in which the League can ever ascertain the true situation in Manchuria, find out who is sincere and who is not, who is truthful and who is not, who is innocent and who is guilty, is by sending an independent commission to Manchuria. China welcomes a commission, Japan opposes it. Does that not go a long way toward settling the question of guilt?

Shanghai, Oct. 7, 1931.

Japan's Protests

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—Fierce peoples are not to be guided by all the eloquence and all the wisdom of the wise. We are called upon, as it were by a superior warning voice, again to attend to the disastrous situation in the Far East and to review the subject with an unusual degree of care and calmness. Surely it is an awful subject; or there is none so on this side of the grave.

It was only a few days ago that the Japanese destroyer flotilla arrived here from Sasebo and two more cruisers loaded with marines and munitions are expected here to-morrow morning from the same naval base. The extra session of the Privy Council was held in Tokyo in the Imperial presence of the Emperor himself and they discussed most solemnly the saddest state of things Japan has ever encountered. Baron Shidehara, the foreign minister, who has been a target for indignation on account of his so-called "soft" policy is said to have turned a new man of aggression for the first time in his life. Mr. Shigemitsu, minister to China, who left Shanghai yesterday on the destroyer Kashi to take part in the celebration of the Chinese national jubilation at Nanking to-day is at the same time to hand over a declaration of the Japanese strong protest against the recent Chinese anti-Japanese boycott movement to Mr. Li, the acting foreign minister. To those over-anxious like myself it seems to be something like ultimatum.

These few facts, among many others, clearly explain how exasperated the Japanese public are at present. They are ready to plunge into the bottomless abyss of man-killing and heart-rending agony at any moment. They couldn't, if they would, connive at the ever-increasing outrageous acts on the part of the Chinese; they could not disregard the repeated appeals for protection sent by those most unhappy countrymen who are suffering every kind of humiliation and maltreatment at the hands of the Chinese fanatics; they couldn't forget the bloodiest, most cruel murder of the poor Japanese family near the Kowloon aerodrome opposite to Hongkong in whose death list (six in all) two small children and an old woman of 70 were included; they couldn't help being irritated beyond measure at a double policy China has adopted to ward off the imminent danger of incurring war by an appeal to the League of Nations as well as to America on the one hand and to torture Japan gradually into submission by means of the terrible and most effective weapon of "Discontinuance of Economic Relations" on the other. This measure of boycott adopted by China is indeed as much inhuman and cold-blooded in the eyes of humanity and as much infringement on international law as an aggressive war itself. This is a living death, much crueler than war in the fact that the former kills a man inch by inch while the latter does at once.

The Japanese must acknowledge, however, that they are not without faults on their own part. The militarists somewhat rash act recently done at Mukden in spite of Foreign Minister Baron Shidehara's more moderate diplomatic policy is not free from criticism. But we must remember that the great war of Europe was not caused simply by a mere assassination of a prince of royal blood at Salsabo (?); there was a much deeper cause indeed. It has become evident, however, that the Japanese troops in Manchuria are trying to withdraw within their own proper places of garrison as soon as the state of things there resumes its normal conditions. To our great regret to-day's paper reports us that the Japanese aeroplanes dropped bombs on Chinchow

on the 8 inst, where Marshal Chang Hsueh-liang is said to have been intending to build up a new seat for his temporary government. In spite of her strict neutrality Japan is apt to be regarded as giving a secret assistance to the independence movement in Manchuria, thus making the Manchurian affairs more complicated than ever. In other words most calamitous events are taking place one after another up there in which one misunderstanding follows on the heels of another, ever aggravating the delicate international relations between the two countries, from the worse to the worst. And the blame is to be laid on both sides.

Now let us look the question in the face boldly but calmly. To me it seems there are only three ways of solving it, namely, (1) to put Manchuria and Mongolia under the sovereign power of Japan, (2) to place them under the absolute control of China, (3) to govern them jointly as it is to-day. Evidently (1) and (2) are not to be adopted to the satisfaction of both countries, at least at present. Therefore only one way of solution is left for us to choose. Here the noble spirit of conciliation becomes most important. Good understanding, mutual helpfulness, sincere friendship, fair-mindedness, international integrity, and conciliatory sentiment are of paramount importance at present. Let each of us both Chinese and Japanese forget or try to forget, like a true man, our personal as well as our international grievances and complaints and let us cease from the effeminate practice of laying one's fault at another's door. Let us meditate calmly upon the awful question that is laid before us for immediate solution, before plunging ourselves into any rash act. We both nations have derived our cultural training and ethical teaching from Confucianism: the Japanese venerate those Chinese Sages as if they were their own ancestors. We are the only peoples who understand the real meaning of Chinese character taught by Confucius 2,500 years ago. Let us try to practise it in our daily life and love each other as good neighbors. Let us refrain from strife and live in peace and in mutual prosperity for ever. This is the only way to ward off the impending danger of war and to find our satisfactory settlement.

H. K. MATSUDA.

Shanghai, Oct. 10, 1931.

The World Trade

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—The sudden invasion of Manchuria by Japanese troops at a time when 16 provinces in China are affected by the pitiful conditions of the flood, has created a new era of world-wide comment. In short, Japanese militarism in China is not only a flagrant violation of international law, but a bona fide menace to world peace!

Instead of rendering goodness to human beings in time of adversity, the Japanese militarists have, however, adhered to their cannibalistic, war-like action in attacking the Chinese troops who maintain a policy of non-resistance! And what is more, they aim at killing ruthlessly Chinese civilians and destroying Chinese properties and foreign commercial interests, which no civilized countries in the world would attempt to do. In other words, it is, in reality, a manifestation of Japanese jingoism.

In his letter dated October 7 under the caption of "A Japanese View" in the "North China Daily News," Mr. H. K. Matsuda says, like a drowned man catches at straw, that Japan has invested a big amount in Manchuria "against 500,000 Yen invested by other foreign countries." Can this be true? Such information is categorically misleading, and certainly it is only a sort of Japanese propaganda which cannot blind the world from understanding substantial facts.

The Washington State Department records show that American investments in Manchuria amount to \$3,811,000, exclusive of the holdings of the Standard Oil Company of New York, figures for which are unavailable. There are a total of 220 Americans in the area of whom 109 are in Mukden. Most of the American investments in Harbin amount to \$3,425,000. Bohler Bros., the German Engineering Bureau for China, Carlowitz & Co., etc. have also big investments in Manchuria. What about Jardine, Matheson & Co., B.A.T., and many other French, British and Scandinavian investments in Manchuria? And now they all are losing business as a result of the illegal invasion of Manchuria by Japanese troops.

The boycott movement is a patriotic move against the aggressive

policy of military Japan vis-a-vis the civilized powers that have big commercial interests in all parts of China, but who respect the Open-Door Policy. China has been maintaining. However, the Chinese people are actuated by no other motive than a righteous fervor for patriotism, because patriotism begins at home.

Notwithstanding the fact that it is our own volition to buy German, British, American, French, Russian and Scandinavian goods, any forcible or savage attempt by Japan to obstruct us from doing so constitutes the complete destruction of international trade in China! And to be sure, it simply helps to add more fuel to the flames, thereby tending to increase many more unemployed in other foreign countries.

Dr. Sun Yat-sen's doctrine holds good to-day that, China, which is admittedly one of the richest markets for Japanese goods, cannot be secured by the gunboat policy of old diplomacy though it can be won by a policy aiming at capture of Chinese goodwill. If Japan wants to trade with us peacefully, militarism must go; otherwise there will be no peace in the world, in so far as the new code of international law has it "that war between nations should be outlawed as an institution or means for the settlement of international controversies by making it a public crime under the law of nations." And the same is true, says Dr. Paul S. Reinsch, that "China is key to world peace."

WEI YIN.

Chenyu, Oct. 11, 1931.

ON OSTRICHES

A Reply

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—May a poor benighted ostrich, who has lifted his head from the arid sands of Tientsin to survey for a short space the green pastures of Shanghai, venture to place before your readers the considerations which led the Committee in charge of the meeting of British subjects, held on September 15 in Tientsin, to which you animadverted in your leading article of this morning, to decide not to accord publicity in China to the proceedings.

The object of the meeting was to place before the widest possible public in Great Britain an appeal for help in the grave dangers facing all British subjects in China by the threatened abolition of extraterritoriality at the end of the present year, in the hope that public opinion at home might succeed in inducing our Government to modify the attitude they have taken up on this subject. The dangers that threaten all British subjects, whether they live in Shanghai, Tientsin, or other places in China, are so well known and understood by all thinking people in this country to-day that to repeat them in the Press here is merely to preach to the converted.

On the other hand, as you are doubtless aware, the British Government are still pledged to implement the promise made by Sir Austen Chamberlain in 1926 to return to China the British Concession in Tientsin. At the moment this question is not active, but it is like the sword of Damocles suspended over the heads of the British community there, and by a slender thread, which might be cut at any moment. It is, therefore, natural when so many are abroad in China to-day with swords specially sharpened for the cutting of just such threads, that the British community in Tientsin is anxious not to obtrude itself unnecessarily on the notice of such people.

I may add that it was not intended that all reference to the meeting should be withheld from the Press in China, but it was felt that an indirect reference to it through the Home Press would be less likely to attract undesired attention.

E. J. NATHAN.

Shanghai, Oct. 6, 1931.

Merchants Desirous of Meeting The Best Buyers

are cordially invited to make their acquaintance through the advertising columns of the "North-China Daily News," which not only reaches the largest number of readers in Shanghai but those readers who represent the largest purchasing power of China.

"North-China Daily News"

Shanghai

COMMERCE AND FINANCE

MONEY AND EXCHANGE

Hongkong & Shanghai Bank

TUESDAY, OCTOBER 13

BAR SILVER 17 1/2

MARKET SELLING RATES

\$1 at 1/7 1/2 = \$12.15 at 72.8 = \$16.69
 \$100 at 32 1/2 = \$307.69 at 72.8 = \$422.85
 Chi. dollars, per \$100, selling \$73.2
 Chi. dollars, per \$100, buying \$72.8
 Native interest per day on \$1,000, 7/100
 Copper Cash per \$100, 376,000
 Customs Gold Unit, 1.260

OFFICIAL SELLING RATES (per Tael)

LONDON—Tel. transfer 1/7 1/2
 NEW YORK—Tel. transfer 3 1/2
 PARIS—Demand France 800
 INDIA—Demand Rupees 800
 BATAVIA—Demand Gulden 78
 HONGKONG—Demand Dollars 78
 YOKOHAMA—Demand Yen 157 1/2
 SINGAPORE—Demand Dollars 144 1/2

MARKET BUYING RATES (per Tael)

LONDON—Demand Nominal 1/8 1/2

The National City Bank of New York

10 a.m.

Demand selling rate on America:

U.S. \$1.00 = Sh. \$4.2429

Demand buying rate on America:

U.S. \$1.00 = Sh. \$4.0780

Demand selling rate on London: \$1.00

= Sh. \$16.798

Demand buying rate on London: \$1.00

= Sh. \$16.092

Italian Bank for China

It. Lire 6.21 Mex. \$1

It. Lire 4.52 Mex. \$1

Swiss Frs. 1.62 Mex. \$1

American Oriental Bank

SELLING DEMAND DRAFTS

U.S. C.\$100.00 Mex. \$427.59

Stg. \$1.00 Mex. 17.35

BUYING DEMAND DRAFTS

U.S. C.\$100.00 Mex. \$412.41

Stg. \$1.00 Mex. 16.50

The American Express Co. Inc.

BUYING

U.S. C.\$100.00 Mex. \$407.80

Stg. \$1.00 Mex. 15.90

SELLING

U.S. C.\$100.00 Mex. \$422.65

Stg. \$1.00 Mex. 16.50

Domestic Exchange

Peking \$1,000 = Shanghai T1,044.50

Tientsin \$1,000 = " T1,012.50

Hankow \$1,000 = " T1,011.50

Tsinanfu \$1,000 = " T1,011.50

Taipei \$1,000 = " T1,011.50

Chefoo \$1,000 = " T1,011.50

Nanking \$1,000 = " T1,011.50

Wuhu \$1,000 = " T1,011.50

Kiukiang \$1,000 = " T1,011.50

Hongchow \$1,000 = " T1,011.50

Foochow \$1,000 = " T1,011.50

Amoy \$1,000 = " T1,011.50

Canton S. \$1,000 = " T1,011.50

Singapore \$1,000 = " T1,011.50

Dairen \$1,000 = " T1,011.50

Harbin \$1,000 = " T1,011.50

Deutsch-Asiatische Bank

OPENING SELLING RATES

Berlin/Hamburg T100=Rm. 136.00

Mex. \$100=Rm. 99.01

Subsidiary Coin Exchange

Mex. and CHINESE DOLLARS—

Morning 100=T73.025

Afternoon 100=T72.825

KIANGNAN SILVER 20-CENTS—

Morning 500=T65.8

Afternoon 500=T65.8

CANTON SILVER 20-CENTS—

Morning 500=T65.35

Afternoon 500=T65.35

COPIERS—

5 silver 20-cents and 26 coppers=\$1

26 coppers=\$1

23 coppers=10-cents silver

10 cts. silver and 3 coppers=10 cts.

big money

Mex. \$1=T73.025

Tis. 1=M. \$1.379

Exchange Market

Messrs. Lindsay Drakeford & Davis

INTER BANK DECEMBER DELIVERY

U.S. G.\$ Highest Lowest

Yen 1/8 1/7 1/8

U.S. G.\$ 33 32 1/2

Yen 151 149

MERCHANT CLOSING RATES

BANK SELLING

U. T. T. del. Oct./Nov. 1/7 1/2

G. T. T. del. " 32 1/2

P. T. T. del. " 82 1/2

R. T. T. del. " 112 1/2

BANK BUYING

G. 4 m/s. l.c. del. Oct./Nov. 1/8 1/2

G. 4 m/s. l.c. del. " 33 1/2

P. 4 m/s. l.c. del. " 83 1/2

R. 7 d/s. del. " 115 1/2

BULLION

Highest Lowest Closed

Gold Bars 704.50 688.00 694.20

BAR SILVER

Ready For'd 17 1/2 17 1/2

London pence per std. oz. 17 1/2 17 1/2

N.Y. market closed 56.12 —

Bombay off-shoot 20 bars

Market steady.

WEEK'S EXCHANGE

NOTES

Oct. 10.

At the close of business on the

8th instant the stock of silver in

Shanghai was Tls. 64,194,000 and

\$169,050,000.

These figures include Tls. 28,970,-

000 and \$149,780,000 in Chinese

banks in which there were 857

bars.

BAR SILVER

Imports were:—

38 bars from Japan

Exports were:—

Nil.

Imports were:—

SVCE

Exports were:—

Tls. 2,370,000 to Hangchow

THE SHANGHAI MARKETS

Food Prices Decline Seriously: The Wheat Situation:

Boycott and Piece Goods

Oct. 10.

DURING the past week the higher rates of exchange and

the anti-Japanese have played a great part in the local

markets. The latter has had a direct influence on piece

goods, and business in English goods has picked up largely.

At the same time the food commodities markets have

shown a serious decline in prices, and the wheat market is

in a very nervous state. Flood relief wheat shipments from

the U.S.A., it seems, will cost the Government more than

anticipated.

Several markets report practically nothing doing.

PIECE GOODS

Business has been done in

practically all lines, a good amount

especially in cotton yarns, white

shirtings, grey shirtings, dyed

lawn, and also a good quantity of

black Italians, warp satins and

lenos.

A large quantity of woollen yarn

has been booked and there is a

general inquiry for venetians, co-

verts, serges and the usual misce-

laneous lines of suitings, vicunas,

etc.

Manchester prices are slightly

easier with the improvement in the

New York cross rate, and this com-

bined with better exchange rates

this end is bringing out a large

volume of inquiry generally, while

the anti-Japanese boycott has also

assisted in this direction.

Clearances are still poor. The

political situation in the north still

being obscure is holding up the

usual seasonal shipments for

northern ports.

Market prices here are generally

easier, principally due to poor de-

mand, the dealers offering as much

resistance as possible in view of the

bulk of their cargoes having been

covered under low rates of ex-

change.

Yuenfong Auctions

Sales at the Yuenfong auction

totalled 177 packages. This week the

market has come under the direct

influence of the anti-Japanese boy-

cott movement and a great deal of

inquiry has been forthcoming for

English goods. The result of this

has been a decided advance in prices

on all classes, whether for im-

mediate requirements or for delivery

towards the spring.

Dyed goods, of course, being in

season, have gained more than

white shirtings, and substantial im-

provements have been recorded, all

round. Venetians and Italians have

appreciated about 4 mace, and fol-

lowing last week's easier tendency,

all qualities of velvets have advanced

materially. White shirtings of all

river port qualities have improved

to the extent of about 2 mace, and

the only exception to the general

advance was a rather weaker tone

for Tientsin chops.

Deliveries have improved very

much and a satisfactory feature in

this respect has been the much bet-

ter figures for such places as Han-

kow and Kiukiang.

COTTON, YARN, ETC.

In their weekly report Messrs. J.

Spunt & Co. state:

China Cotton: In our previous

circulars we forecast lower rates

which during the past week have

been fully realized inasmuch as

prices have declined about Tls.

2.00 for October/November de-

liveries and about Tls. 1.50 for for-

ward deliveries lower than those

current during the previous period

and after a temporary reaction of

about Tls. 1.00 per picul the mar-

ket resumed its weakish tendency

at the close. The general antici-

pations are for further declines be-

ing registered in the near future.

DOLLARS

Imports were:—

\$2,370,000 from Hangchow

Exports were:—

\$2,500,000 to Tientsin

600,000 " Tsinanfu

300,000 " Nanking

100,000 " Soochow

100,000 " Shinkiang

100,000 " Wushih

\$3,700,000

Silver

Last quotations come as 17 1/2 d.

ready and 17 d. forward as against

15 1/2 d. ready and 16 d. forward a

week ago.

The Speculators position is esti-

mated to be oversold in Sterling and

Gold Dollars the equivalent of

\$3,760,000.

Selling T.T. 1/8 1/2 Oct./Novem-

ber. G.83 Oct./Novem.

Buying 4 m/s. 1/8 1/2 Oct./Novem-

ber. G.83 Oct./Novem.

Exchange

The official rate is 1/7 d. as

against 1/6 1/2 d. a week ago.

The Speculators position is esti-

mated to be oversold in Sterling and

Gold Dollars the equivalent of

SHANGHAI LAW REPORTS

FULL COURT OF APPEAL

Greyhound Racing Association v. Martin and Macnaghten

Pleading that the learned Judge (Sir Peter Grain) erred, and was wrong in law in holding, on the hearing of a motion in Chambers, that the Statement of Claim of the plaintiff discloses no cause of action and was (inter alia) "frivolous or vexatious, or an abuse of the process of the Court, or was one which must fail", the Greyhound Racing Association (China) Ltd., to-day appeared by their counsel, in the H.B.M. Supreme Court before the Full Court of Appeal, composed of Judge Sir Peter Grain (President), Sir Joseph Kemp (Chief Justice of the Hongkong Supreme Court), and Mr. A. G. Mossop (Crown Advocate) to sustain their appeal against the dismissal, and the striking out, of their action against the defendants Capt. R. M. J. Martin, and Brig.-Gen. E. B. Macnaghten, C.M.G., D.S.O., (Chairman of the Shanghai Municipal Council).

Mr. H. Lipson Ward and Mr. M. Reader Harris appeared on behalf of the appellants, while the respondents were represented by Mr. A. C. Holbrooke and Mr. John McNeill. The original action was filed against the respondent-defendants by the appellants to recover the sum of Tls. 2,500,000 by way of damages for the alleged wrongful acts of the respondents, whereby they were compelled to liquidate the business they had formed and established for the purpose of promoting greyhound racing, at a place called "una Park" in Shanghai, and, in opening his client's case, Mr. Lipson Ward said: "This appeal is from an order of the Chief Judge in Chambers striking out the plaintiff's statement of claim on the ground that it discloses no cause of action."

The action itself raises, I venture to think, the most important issue which has ever been before this Court. It is a constitutional issue, and it amounts to this: Is an individual member of the Council, or one of its servants, to be permitted to enforce the policy of the Council by violence, or must they—like any other person—have recourse to the Court having jurisdiction over the complainants—the appellants in this case? My lords, the appellant is a British company, and the only Court which has jurisdiction over it is this Court.

The respondents sought in Chambers to apply the Land Regulations, and if we assume that there have been regulations adopting these Land Regulation, the only point I wish to make in that connection is this: That if the respondents seek to apply them they have got to prove them in accordance with Art. 213 of the 1925 Order in Council, and that is a fact which strengthens my argument, if it needs any strengthening, which is to the effect that this is a defence which must be raised by the defendants, pleaded by them, and proved by them.

Now, my lords, let us assume that the effect of the Order in Council is to make the Land Regulations equal to a statute. Rule 119 of our rules of court is to the effect that notice is required to be given when the defendant intends to rely upon any of the grounds of defence mentioned therein, but I may say that, in practice, that rule is not usually relied on by counsel, because where pleadings are ordered, there is no need for that procedure to be followed: the statutory defence, or whatever it is, is set up in the defence filed.

Now, the defendants argued that it was necessary for the plaintiff to plead mala fides—in other words, to rebut a defence which had never been set up at all—and in support of that argument four classes of cases were relied upon. My lords, with the greatest respect to the learned Chief Judge, and to my learned friends, I think that the decision arrived at is based upon an entire misreading of every one of those cases, and it will be necessary for me, I am afraid, to go into them at some length. The classes cited were as follows:

1.—There were five cases cited where actions could not be maintained, in respect of anything done under a statute, unless notice had been given to the defendant, and an opportunity had been given to the defendant to make amends.

2.—There were two Statute of Limitations cases cited.

3.—One case was cited under the Public Authorities Protection Act of 1893, and

4.—One case cited under the Lunacy Act of 1890.

When I come to it, I shall refer to that case under the Lunacy Act, and I shall submit to your lordships that it is clear authority for the contention I am making to your lordships to-day.

Now, my lords, before I refer in detail to the five cases where notice is required, may I say this: Those five cases show, I think that where it appears from the evidence, given at the trial of the action, that the defendant was purporting to act under the particular statute, then the action is not maintainable, unless notice has been given to the plaintiff, however, if he chooses, is at liberty at the trial to prove facts which show that the defendant was not acting bona fide—in other words to show that the defendant was not acting under the statute at all. The general effect of those five cases, I think is this: That where it appears at the trial, from the evidence given, that the defendant was purporting to act under the particular statute which required notice, then the action was not maintainable without such notice, unless the plaintiff, who was at liberty to do so, brought forward facts at the trial which showed that the defendant was not acting bona fide—in other words, which showed that the defendant was not acting under the statute at all, and was, therefore, not entitled to notice act. Not one of those cases suggests for one moment that it is for the plaintiff to plead mala fides.

Sir J. Kemp: Because they were not acting under the statute. They were not acting bona fide.

Mr. Ward: Yes. In other words, an action is brought on a statement of claim which shows a wrong. The defendants plead the statutory defence of "No notice": no further pleading at all: issue joined, and the case goes to trial. At the trial the plaintiff says: You were not acting under this statute—you were not purporting to act under it, because I prove that you were acting mala fides: in other words, you were trying to "do me down"—if I may use a colloquialism: you were not executing your duty, and, therefore, your defence goes, because you were not, in fact, acting under, or purporting to act under, the statute.

My Lords, with regard to the Statute of Limitation cases cited in chambers, they were the exception to the general rule. The general rule is, as your lordships know well, that if you wish to rely upon the Statute of Limitations, you have got to plead it: there is, however, an exception, where the claim is for the recovery of land. That is the only exception, and the reason for that is that when you bring an action for the recovery of land, you have to plead your title. The Statute of Limitations, in fact, defeats your title, and if, in pleading, you plead facts which show that within the regular time, you, in fact, plead facts which show you have no title at all: but where, for instance, you desire to rely on the Statute of Limitations, where your claim, say, is a money debt, then there is not the slightest doubt that the defendant has to raise the Statute of Limitations by his defence, and if he doesn't choose to do so, he cannot rely upon it at the trial.

The third class of case was the Public Authorities Protection Act of 1893. Now, that is very like the "Notice" cases. It is an elementary proposition to anybody who has practised before the Courts—in England, at any rate—that if a public authority, or anybody else, wishes to raise the Public Authorities Protection Act he has to plead it in his defence. Having pleaded it in his defence, and having adduced evidence which shows that he was purporting to act under the Statute in the performance of a public duty, then, if the action was not brought within a period of 6 months, it failed, unless the plaintiff, who is at liberty to do so—as in the "Notice" cases—proved that the defendant was acting mala fides—in other words, was not acting under the enabling statute at all.

The fourth class—the case under Lunacy Act—I shall submit to your Lordships establishes that, where a defence of this very nature—the defence under Lunacy Regulation 26—is relied upon, the

defendant has to plead it, and has to prove it.

Counsel then went very exhaustively into the various legal authorities which he contended supported his arguments, citing numerous cases in reference to same.

Now, my lords, every one of those cases—but they none of them support the proposition that, where an action is brought for what is, on the face of the statement of claim, an actionable wrong that it is for the plaintiff to set up by his statement of claim that the defendant—who has not pleaded the statute, then, at all—is not entitled to Notice, because he has acted mala fide: so far as the plaintiff knows, the defendant may never set up this section at all by his defence.

As I say, suppose it is a case where it is obvious to any reasonable thinking man that no defendant could have possibly thought—honestly thought—that he had the right to the thing he did under his Act of Parliament. It would be for him to plead his Act of Parliament, if he wished to rely upon it, and the plaintiff could then say to the Court or jury: Why, no honest man in his senses could possibly believe that he had a right to do this thing under his Act of Parliament. When he pleads this defence we do not believe him.

The respondents have cited in Chambers two cases, Laurence v. Norreys 39 Ch. Div. 213 & Price v. Phillips 1894 Weekly Notes p. 213, which I understand they use in this way: That you can demur, or you can move to strike out the statement of claim as disclosing no cause of action by reason of the Statute of Limitations, although you didn't plead the Statute. It was to meet the objection, I suppose, in this case that the defendants had jumped too soon, but if they wished to rely upon Land Regulation 26, they ought to plead it.

What I am submitting to your lordships is this: That if I sue for a simple contract debt, it doesn't matter whether I allege facts which make it appear that my claim might be barred by the Statute of Limitations, if the defendant wishes to rely upon the Statute of Limitations, he has got to plead it, and, having pleaded it, I am entitled to reply and set up facts which takes my claim out of the Statute of Limitations, but it is different where the action is one for the recovery of land.

"As I understand the Judge's notes, the respondents said that it was not necessary to plead Land Regulation 26, because it was not necessary to plead the Statute of Limitations. They were treating the sections on the same footing as the Statute of Limitations. My answer to the respondents' arguments is that it is only in considered actions for recovery of land that you can rely upon the Statute of Limitations, without pleading it."

Mr. Mossop: They went further: They said that it was necessary for you to plead facts that took your case out of the regulations, and then they quote Price v. Phillips and Laurence v. Norreys.

Mr. Ward: Yes, and my answer is that it is an exception to the rule: that if the defendant wants to rely upon the statutory defence, he has to plead it, and then the plaintiff can reply, if he likes, and state facts which takes the case out of the statute. You cannot move to strike a statement of claim out, in an action for a simple contract debt on the ground that the Statute of Limitations destroys the debt: you have to plead it: you have to file your defence, and plead it, and if you plead the Statute of Limitations, the plaintiff can then reply and say: There was some thing, or memorandum in writing etc.

Mr. Mossop: I think what it comes to is this: You maintain his premises are wrong—that he using an exception instead of the rule?

Mr. Ward: Yes. The two cases they cited do not in any way support the respondents' proposition, so far as I can see, that it is necessary for the plaintiff in this case to plead mala fides: that is what it comes to, but I am really analysing that submission and I am analysing it in this way: That I say it is never necessary for the plaintiff to plead facts, to take his cases out of the Statute of Limitations which may not be raised, except where the action is one for the recovery of land, and the Statute of Limitations destroys his title.

I hope, I have made my proposition clear to your lordships, because it goes to the whole root of

my argument which is: Before you consider: before you can even discuss Land Regulation 26, the defendants have got to plead it, and before you can discuss whether the Statute of Limitations applies as a defence, you must see that the defendants have pleaded it, except where the action is one for the recovery of land. So that, to cite cases which merely go to show that the defendant is permitted to strike out the statement of claim on the ground that, on the facts as pleaded, the plaintiff has no title to land, by reason of the operation of the Statute of Limitations, in support of the general proposition that, where a statutory defence is given, it is not for the plaintiff to plead it, but it is for the plaintiff to plead in his statement of claim that his case is taken out of the Statute, is to cite cases which do not apply. In other words, you are seeking to rely upon an exception to destroy a general rule, the general rule being that, if you wish to rely upon any particular defence, you must plead it, and it is no use, in answer to that general rule to set up an exception to it.

"My lords, surely we all know that when defending a simple contract debt, and the defendant wishes to rely upon the Statute of Limitations, he must plead it: if he wishes to raise the Statute of Frauds, he pleads it, and if he wishes to raise the Public Authorities Protection Act, he pleads it. We have got to plead these things. In any statutory defence, the defendant has to plead it—not the plaintiff. The plaintiff has not got to say, the defendant may raise that defence, let me destroy it before he raises it. The plaintiff has not got to do that, and it is made so abundantly clear by the further cases which were, in fact, cited by the defendants, where the case was before the learned Chief Judge in Chambers.

Sir J. Kemp: What you mean is this: It is not for the plaintiff to anticipate a statutory defence, as a general rule: he must wait and hear if it is necessary, set up facts to destroy it, or prove the facts at the trial? In the one case of the recovery of land, the Statute of Limitations are, ipso facto, raised by the facts, if the facts show that the time has lapsed, and, in that case, he should set up facts to bring the case outside the Statute. That is your point?

Mr. Ward: Precisely, and the reason is that he must plead his title in his statement of claim, and if he pleads facts to show that he has no title, he has no cause of action.

Sir J. Kemp: And, therefore, the two cases cited by the residents are irrelevant?

Mr. Ward: Yes.

Mr. Ward concluded his argument for the day, by submitting that the facts in the present case were such as had to be considered by the Court and the jury on a submission at the trial of the action. "How can you decide whether a defendant bona fide believes," said Mr. Ward, "that he is acting in pursuance of the Statute, until you have heard all the evidence? Assuming, for the moment, that it is not necessary for the statement of claim to allege that he is not, how can you possibly strike out the statement of claim, as disclosing no cause of action, when that question of bona fides, or mala fides can only be determined on the facts given at the trial, and where the very question of bona fides, or mala fides, is wholly immaterial until that defence is pleaded?"

Oct. 2.

Mr. Ward proceeded: "My lords, referring and Scammell v. Hurley 1929. 1. K.B. 419 am I not right in saying that this case decides this proposition, and, only this: That where you sue a public authority, and you yourself, by your own evidence, show that that authority in doing the act, or omission complained of, was acting in intended execution of its enabling Act, and at the same time you give no evidence whatsoever of bad faith, then the public authority, having pleaded the Public Authority Act, is entitled to the benefit of that Act, if the action had not been brought within six months of the act, or default, complained of. That is what that case decides, and only that, in my submission, and far from being an authority in support of the respondents' case on this point, I submit it is an authority in favour of the appellants.

If the defendants in this action choose to raise Land Regulation 26, and if the evidence called on behalf of the plaintiff is to the effect, as in Scammell v. Hurley, that the defendants were acting in the intended execution of these Land Re-

gulations, and at the same time, the plaintiff did not offer any evidence to rebut that at all, then, there is some force in the argument that, these Land Regulations being pleaded there would be no case for the defendants to answer at the trial.

The President: If the Land Regulations are pleaded by the defendants—

Mr. Ward: "Yes, My lords, sometimes it is a good thing to illustrate your proposition by an extreme case. Supposing I am walking along peacefully to my office in Peking Road, and, without the slightest warning, Captain Martin comes and seizes me by the neck: attacks me violently, and leaves me half-dead on the pavement. Something might have happened to him: he might have become ill, and that might have been the cause of his doing that. But, suppose it did happen? I then discovered that, for some reason or other, the Shanghai Municipal Council have directed Captain Martin to go and do that. They didn't like what I have been doing—they want to stop me from doing it—as in this case, I bring my action against such of the members of the Council whom I know—whom I think can prove actually authorized and directed Captain Martin to do this, and I also bring my action against Captain Martin.

Could it be suggested, for one moment, that I have got to plead mala fides? That is the way to test this case properly. The answer must be, of course, No. If the defendants then choose to rely upon Regulation 23, they would have to plead it and to prove it, and when I came before the Judge and jury, and my action came for trial, I should say: Look at these Land Regulations. Where is there any suggestion in them to the effect that it is lawful in any way for the Members of the Council, or anybody else to direct the Commissioner of Police to come and attack me violently, and leave me half-dead on the pavement? I should be entitled to say to the Judge and jury on those facts: You could not believe a man who came before you and said that this act complained of was done bona fide, for the purpose of executing the Land Regulation."

Counsel then referred to the case of Shackleton v. Swift L.R. 1913 2 K. B. 394 arguing that same—a lunacy case—was the only one which remotely resembled the case in the present appeal. "It was a case for the wrongful detention of an alleged lunatic, and sec. 330-subsec. 1 of the Lunacy Act of 1890 provides that 'a person who does anything in pursuance of the Act, is not to be liable if he has acted in good faith and with reasonable care.' Sub-sec. II of that section provides that '... a stay can be granted if the Judge is satisfied that there is no reasonable ground for alleging want of good faith and reasonable care'."

"It is only in the defendants' affidavits in this case that it is anywhere suggested that it was any part of the duty of the plaintiff in statement of claim to plead absence of good faith, and when your lordships come to the judgment, I think I can satisfy you that the very contrary is, in fact, what this case decided. Suppose there had been no sub-sec. II of 330? You would then have got nearer the case which is now before your lordships. That 1st section of section 330 states the principle of the Act: 'If the proper officers carrying out provisions of the Lunacy Act of 1890 have acted in good faith, and with reasonable care, even though they have made a mistake—even though the Act of Parliament gave them no jurisdiction in the particular case, and therefore there is what is called want of jurisdiction—nevertheless they are protected. That, in my opinion, means it is the protection which relieves them from liability before the action has been tried.'"

In my submission the learned Lord Justice is stating the proposition much too high, and I think it is on the paragraph that my friends base their argument, that it is for the plaintiff, in a case of that kind, to allege malice, or absence of reasonable care, in the statement of claim. It is only because there is that sub-section II that it is, open in a case of that kind, under the Act, for the defendants to apply to stay the action, and to file affidavits, and to satisfy the Judge that there is no reasonable ground for alleging want of good faith, or reasonable care."

"My submission is, and I ask your lordships to so hold, that this is a defence given to the defendants which they must raise on their pleadings: that it is not a defence which the plaintiffs must seek to rebut, before it is raised: that until it is raised, there is no issue at all before the Court as to whether the act complained of was done bona

side for the purpose of executing these regulations.

"My Lords, if that defence is raised, one of the submissions of the plaintiffs will be that there is nothing in these Land Regulations to justify any money, or servant of the Council in forcibly entering on another person's land, and closing up his business for the purpose of carrying out a policy of the Council. One of the submissions will be that no man can honestly say that in doing this entirely wrongful act he was acting bona fide for the purpose of executing the Land Regulations. That will be an issue of fact, to be tried on the evidence at the trial, but, until the Land Regulation is pleaded, that issue is not before the Court at all. There is no clause in the Land Regulations which says that, if an action is brought, it can be stayed, if the Court is satisfied that there is no ground for alleging want of bona fides. This is, in my submission, a simple case where the defendants are given something that is in the nature of a statutory defence; it assumes that a wrong has been committed, that the defendants have committed a wrong. Then the quasi statute goes on to say that the defendant shall not be liable if the act done was entered into bona fide, for the purpose of executing the Regulations.

"My lords, 'bona fide' is a state of mind. It is for the person setting up 'Bona fide' under the special defence to say: Yes, I was acting under such a state of mind; that I was acting bona fide: that I was purporting, or intending to carry out, these Land Regulations. "I am putting the words of these Land Regulations against me as far as I can. It may be that 'bona fide' for the purpose of executing these Land Regulations, goes a great deal further than I am arguing it now. It may be that it has got to be done bona fide, and it has also got to be done for the purpose of executing the Land Regulations, and if the act done has no relation whatsoever to the Land Regulations, then it can be neither done bona fide, nor for the purpose of executing the Land Regulations.

Sir J. Kemp: What did you say first? That you don't go so far as this?

Mr. Ward: It could be argued, on behalf of the defendants that these words mean that, if the defendants honestly intended to be acting under the Land Regulations, they would have a defence, and I have been assuming, for the purpose of my argument, that that is the meaning of those words: but I do not admit it for one moment. I am putting the words as strongly against me as I can. Assuming those words mean that: all that has to be shown is that the defendants honestly were intending to act under the Land Regulations. I still say; assuming all that, that is a defence which has got to be raised by the defendants before that issue comes before the Court at all, but, my lords, in due course it will be submitted that those words are much narrower than that: that if you find the act was done, not for the purpose of executing the Land Regulations at all, but merely, say, for the purpose of carrying out a declared policy of the Council, then this Land Regulation 26 doesn't afford a defence at all.

Sir J. Kemp: What meaning do you give 'bona fide' in that case? I can't quite see what the meaning of 'bona fide' can be.

Mr. Ward: Perhaps it really comes to the same thing.

Sir J. Kemp: That is really a question of argument. I am assuming, for the moment, that if it appears that the defendants are acting honestly, with the intention of carrying out the Land Regulations, then they are protected. They must show bona fides in some respect: that is a part I cannot give, at the moment, a meaning to: they may say that they are acting under the Regulations, but they may use that power for some malicious reason.

Mr. Ward: They might have a power and use it, not for the purpose of executing the Land Regulations at all, but there is really no purpose in arguing that before your lordship to-day.

Again, at the risk of wearying your lordship, I do think that that extreme case is a very sound case, when you are dealing with a point that is raised on a pleading as to whether the pleading shows a cause of action. May I put it again: some monstrous act—some obviously monstrous act—committed by a servant of the Council, on the instructions of the Council, and on the instructions of a particular member, because the Council doesn't come in this present case. Pleading by the plaintiff that this monstrous act was committed by the Commissioner of Police on the instructions of a

member of the Council, for the purpose of carrying out, possibly, some perfectly good policy of the Council. The case I put to your lordships was one of a violent assault in the street. The statement of claim would disclose a perfectly good cause of action. Could it possibly be argued that, because Land Regulation 26 gives a defence under certain circumstances, that in a case such as I have just put to your lordships, it would be for the plaintiffs to allege that this monstrous act was not done bona fide, for the purpose of executing the Land Regulations? No, surely not. But when that defence was raised, the plaintiffs would then quite properly go to the Court and the jury and say: It is ridiculous to suggest that anybody, committing this monstrous act against me—which has nothing whatsoever to do with the power given to the Council under the Land Regulations—was an act done bona fide for the purpose of executing the Regulations.

Sir J. Kemp: How can the plaintiffs prove that the person was acting under the direction of the Council? He has to show that a person doing the prima facie illegal act was acting under the direction of the Council. Mr. Ward: Yes, my Lord. I have been putting the extreme case. I know nothing about it at all, except that I am knocked down by the Commissioner of Police in the Peking Road. I automatically bring my action for assault against him alone. I say he was the Commissioner of Police: he was out on the road in uniform, and he knocked me down. Have I got to allege, and prove, that he did so maliciously? It is for him to set up Land Regulation 26 by way of defence, and, having set it up, he has got to prove that he was acting under the directions of the Council, and that he was committing the act bona fide, for the purpose of executing the Land Regulations. In other words, it would not be sufficient for him to say: but it is admitted on the statement of claim that I was acting under the directions of the Council: he has not only got to say that, but he has to say: I can establish, and I do establish, either by the evidence given on behalf of the plaintiffs, or by my own evidence, that this act done by me was done bona fide for the purpose of executing the Land Regulations, and it would be an answer, in my submission, to that contention, for the plaintiff to say: show me what regulation there is which remotely leans on that? Is there any regulation here which allows you to go and knock me down in the street for no reason at all?

Now, my lords, I will pass on to the other point upon which the learned Chief Judge struck out the statement of claim and dismissed the action, and, as I understand it, the point is this: that by reason of Land Regulation 28, this Court has no jurisdiction to try this action. Now, my lords, Land Regulation 28 reads as follows:

Hereafter should any corrections be requisite in these Regulations, or should it be necessary to determine on further rules, or should doubts arise as to the construction of, or powers conferred thereby, the same must be consulted upon and settled by the Foreign Consuls and Local Chinese Authorities, subject to confirmation by the Foreign Representatives and Supreme Chinese Government at Peking. Your lordships must remember that these Land Regulations were an agreement between the Foreign Powers and the Chinese authorities, and the very wording of the Regulation clearly suggests that it was never intended to cover a case between either the Council and a private individual, or two private individuals in the Court. It begins: "Hereafter should any corrections be requisite": well, that has nothing to do with a dispute in court, and in my submission should "doubts arise as to the construction of, or powers conferred thereby" has nothing to do with disputes in Court.

This Regulation is, in order to make it quite clear that if there is any dispute between the parties to it, that dispute can only be settled by the "Foreign Consuls and Local Chinese Authorities, subject to confirmation by the Foreign Representatives and Supreme Chinese Government at Peking." My lords, the other contention that I understand has been accepted by the learned Chief Judge viz., that should doubts arise as to the meaning of these Land Regulations when an action comes before the Court, the Court has no jurisdiction to deal with those doubts, is, when taken to a logical conclusion, shown to be completely absurd.

But before I deal with that, I should like to say this: on this Statement of Claim what doubt can there be? I don't know. Where is the doubt? How can there possibly be a doubt as to the meaning of these Land Regulations until some issue is joined, showing a doubt? What particular Land Regulation is in doubt here? Is it to be suggested that the only doubt that I can see at the moment, viz., whether the plaintiffs should raise the issue of *malice fides* in the statement of claim, or wait until the defendants plead Land Regulation 26: is it seriously to be suggested that that doubt, on a technical point, as to pleadings in a British Court is to be submitted to the "Foreign Consuls and Local Chinese Authorities, subject to confirmation by the Foreign Representatives and Supreme Chinese Government at Peking"? It is an absurdity. As far as I can see, that is the only possible doubt that has been raised at the moment—whether it is the duty of the plaintiffs to plead facts to negative the defence given by Land Regulation 26. What other doubt is there?

I could understand it if the defendants had pleaded some particular Land Regulation and said: Oh, this Land Regulation empowers us to do this particular act and the plaintiffs had replied: No, it didn't: then you would have a doubt, possibly, upon that, but, at the moment, there is no doubt at all, except on this technical point of pleading.

Now, this must be construed in a sensible way. What does "dispute" mean? Mustn't it be a real dispute? Mustn't the Court say that there is a real substantial doubt? The word is "doubt" not "dispute": mustn't there be a doubt? Who is to decide whether there is a doubt, or not? What does "doubt" mean? Surely, there, it doesn't mean a position of affairs where one litigant in this Court says: The Land Regulations mean this, and the other litigant says: They mean that. That is not a "doubt". That is a "dispute", and it is only by turning the word "doubt" into "dispute" between private litigants that Land Regulation 28 has any application to this case at all.

Is it not clear that "doubt" there has to deal with doubts that are raised by the parties concerned in this agreement. Is not this meant to cover a case where the Municipal Council is saying to the Consular Powers, and to the Chinese People, or Government: We can do this under the Land Regulation: and the Consular Body, or the Chinese Government, or the Local Chinese Authorities say: No, under the Land Regulations, you can't. Hasn't a doubt then arisen within the meaning of Land Regulation 28, and mustn't that doubt be settled by "the Foreign Consuls..... subject to confirmation..... at Peking"? I am reminded of the dispute that is going on now as regards the Council's rights over the outside roads. That is one of the "doubts" that is meant by Land Regulation 28.

As I have already pointed out: What is the difference that is supposed to be the doubt? It boils down to this: Whether the procedure of this Court with regard to pleadings has been properly complied with, or not, by the plaintiffs. That is all it comes to. The only difference which is suggested is a doubt, as far as I can see, as to, on whom is the onus of proving bona fide or rebutting bona fide, or proving that the act is done for the purpose of executing the Land Regulations, or negating that allegation. By no stretch of imagination can that be a "doubt" that must be referred to "the Foreign Consuls..... at Peking" under Land Regulation 28.

On that, may I say this: That the learned Chief Judge seems to have assumed that, if at the trial of the action, the Chairman of the Council went into the witness box and said: Oh, this was done bona fide for the purpose of executing the Land Regulations, the Court must of necessity believe him. I cannot agree with that proposition for a moment for that is obviously an issue of fact. Apart from the question of onus, which I have already argued, that issue of fact can only be determined on the evidence. It would be open to me, if I were representing the plaintiffs and if I liked to cross-examine the Chairman of the Council who made that statement, on any admission I got from him, to ask jury to disbelieve him. There is nothing in these Land Regulations to suggest that any

statement of the Chairman of the Municipal Council must be taken *ex cathedra*.

In conclusion, I just want to deal with one point that seems to me purely a point of prejudice. It is argued that this is really an action against the Shanghai Municipal Council. My lords, if these two defendants have committed a wrong, it doesn't matter one little bit whether we have, or whether we have not, a right of action against the Council, or whether we choose to exercise that right of action and sue the Council. The fact that the Council are subject to the jurisdiction of another Court has nothing whatsoever to do with it.

You might have a Chinese concern with two foreign servants, and an actionable wrong committed by all three of them. The foreign servants are British subjects. It may well be that a plaintiff might think: I would sooner sue these two British subjects in the British Court: I do not desire to go and sue the Chinese master in the Chinese District Court. The only risk he runs is that if he gets judgment against the two British subjects, in the British Court, the Chinese concern may refuse to pay the damages for any decision given in the action in the British Court against the two British subjects, servants of the Chinese master in any way. And so in this case. Assuming that all three—the Municipal Council, the Chairman, and Capt. Martin—have all been guilty of an actionable wrong. Judgment obtained in this Court against the British defendants—the Chairman of the Council, and the Commissioner of Police—if they have no means to pay the judgment, why, so much the worse for the plaintiffs, it the Council who would be under no legal liability to do so didn't choose to put their hands in their pockets, and pay the damages. Judgment in the Court doesn't bind, and I wouldn't dream of suggesting that it does bind the Municipal Council in any way. It is a matter of prejudice only, and it cannot have any legal effect on these proceedings at all.

Another point was raised, which I think also was raised simply as a point of prejudice, and that is: that the defendant, Capt. Martin, is bound to obey the orders of the Council. Well, my lords, that doesn't assist him in the least if he has committed an actionable wrong, and he cannot bring himself within the protection afforded by Land Regulation 26. It is an elementary principle that if you commit a tort, you cannot say: Well, I was a servant of so-and-so, and I had to do it, because he ordered me to.

Oct. 5.

"My lords," opened Mr. Harris "there are certain submissions. I wish to put before your lordships, and if these submissions are correct, I think your lordships will be satisfied that there is no single paragraph in the Statement of Claim which can be treated as unnecessary, or can be considered to tend to embarrass, or delay, or prejudice the fair trial of the action. These submissions are as follows:

- 1.—That para. 13 of the Statement alleges a joint tort;
- 2.—That under that para. the defendants and the Council are joint tort-feasors;
- 3.—That the plaintiff is entitled to sue any one or more of the tort-feasors;
- 4.—That each joint tort-feasor is liable for the whole damage arising from the joint tort;
- 5.—That para. 13 of the defence shows the nature of the tort: that it is not a claim for trespass, but a claim for damages for wrongful injury to the plaintiff's reversion;
- 6.—That to show such an injury to the reversion, the plaintiffs should plead, and eventually prove, facts which could by possibility operate to produce such an injury to the reversion; and
- 7.—That the plaintiffs are also entitled to plead, and prove, facts as to damage suffered by them, including facts which might influence a jury to give exemplary damages.

Counsel then proceeded to deal with each of these submissions separately, and quoted extensively from the authorities in support of his contentions. "I think it is clearly shown by the authorities which I have cited that I am entitled to plead any facts, which I must prove when the case comes on for trial, and to show to the Court that the defendants had acted with a high hand, and in contemptuous disregard of the plaintiffs right, and used their might instead of resorting to the proper Court, if they had any complaint against the plaintiffs.

"It must be clear, I think, on the authorities cited, without further argument that the defendants in

this case are liable for the whole of the damage suffered by the plaintiffs, through the joint act of the defendants and the Council, and I am entitled, as against these defendants to say what the object of the Council was in closing us up, and the threats which they made before they did so. Following my learned friend, it might be good, perhaps, to show what I mean by an extreme case:

Supposing I was to receive from the Council a letter stating that in consequence of my effrontery in suing their Chairman, and their Commissioner of Police, they had decided that the offices of Platt, White Cooper & Co., would be closed in one week's time, unless the action was withdrawn, and a week after when I went there, I found Capt. Martin with a riot squad, and machine guns outside my office! Surely, if I choose to sue Capt. Martin I would be entitled to plead the letter to show the motive of the Council's action, and the jury would be entitled to award me exemplary damages against Capt. Martin because the Council had acted maliciously and in supreme disregard of my rights.

That is an extreme case, but I am entitled to say, as against these defendants that we had the fullest permission from the Council, the right people to apply to, before we thought of going to certain expense, and I am entitled to plead and to prove the immense expense which we went to, in consequence of having received such permission: I am entitled to plead and prove the entire *volte face* on the part of the Council, when they suddenly, and in contemptuous disregard of our rights, simply notified that the Club would be closed, and, when we complained, they simply wrote back: We adhere to our former decision. These are material facts, going to the question of damages: material facts which I am entitled to plead and prove, because I must plead every fact which I intend to prove.

Counsel then dealt, point by point, with the Statement of Claim, and dealt with the question of the correspondence which had passed between the Council and the Appellants. All these letters go to show that the enterprise, which say was a concerted enterprise, between the Council and the two defendants, was, first, to restrict the racing, and then to suddenly stop it altogether—this business of this British Company, which had been started under the *agios* and with the approval of the Council, and which had become a very profitable business to these shareholders.

"I say most emphatically that these paragraphs in this Statement of Claim are all necessary paragraphs for the purpose of proving the permanence of the closing *i.e.*, the policy of the Council to close up dog racing, and their intention permanently to close it on March 31, 1931, and to show that this obstruction was permanent. When the letters are read, it will be found that the Council had even a year before threatened to use the method of barricading the streets to close up the dog racing. All these things go to show the permanence of the closing and are therefore material facts which it is my duty to plead, because I shall certainly prove them. Other paragraphs not only go to show the permanence of the closing, but are facts which I am entitled to plead and put to the jury as showing the contemptuous disregard of the plaintiffs rights by the Council, and of the Council's policy after encouraging the Plaintiffs to enter into the enormous expense which they went to. All this goes to the question of damages, and the jury, if they choose, can give exemplary damages if they are satisfied that the defendants acted in contemptuous disregard of the plaintiff's rights.

"I have nothing further to say" stated Mr. Harris concluding his arguments, "with regard to the Statement of Claim, until I have heard more from my learned friends of the objections maintained to the paragraphs therein."

Paragraph 13, so often referred to by Mr. Harris, and one of the most important in the Plaintiff's Statement of Claim, is as follows:

On the evening of the 4th day of April 1931 when a race meeting was about to be held by the Club the first Defendant acting under the direction of and jointly with the second Defendant and/or under the direction of and jointly with the Council who are not subject to the jurisdiction of this Court and in pursuance of the declared policy of the Council permanently to prevent greyhound racing in the International Settlement attended at the said Luna Park with a large force of police and wrongfully entered upon the said portion of the said

Luna Park being Cadastral Lot 3889 (U.S. 1465) and obstructed stopped up and closed all entrances to the said Luna Park and prevented and kept prevented the Plaintiffs and/or the members of the Club from entering upon the said Luna Park or using the same for the purposes aforesaid and by the said wrongful acts the profits to the Plaintiffs from the leases to the Club of the said Luna Park and the buildings, plant, machinery, fittings, fixtures and other erections thereon have been destroyed and wholly lost to the Plaintiffs and the Plaintiffs' reversion in the said Luna Park and the said buildings, plant, machinery, fittings, fixtures and other erections thereon has been greatly prejudiced and diminished in value.

At the conclusion of Mr. Harris' arguments, Mr. Holborow opened on behalf of the Respondents. "May it please your lordships," commenced Mr. Holborow, "the Plaintiffs' Appellants in this case, the Greyhound Racing Association, have been presented to the Court in the cloak of an innocent, and greatly aggrieved person, who has been denied access to the Judgment Seat. After the first day of my learned friend, Mr. Ward's, argument—I don't know whether it was because he felt he couldn't sustain that character, but he certainly substituted in most of his arguments himself, in the very harrowing spectacle of his being seized by the neck by Captain Martin, knocked down, and left half dead in Peking Road. It was only at the conclusion of my learned friend's arguments, and somewhat to my surprise because it was entirely outside the two points that he had undertaken to address your lordships on, he seems slightly to have lifted the cloak in which the Plaintiffs had been presented and gave us a glance at the character in which they had come before the Court.

What he referred to in so doing—what he characterised as a matter of prejudice, and which I shall, later on, characterise as a matter of distinct abuse of the process of this Court—I shall endeavour—and I think I shall have no difficulty—when your lordships come to look critically at his pleading to show the real character of what the Plaintiffs came before this Court, and that this action is not, in fact, a bona fide action: that it is not only frivolous, and vexatious, and harassing, but it is brought into this Court against these Defendants with a sinister motive, and I shall submit when I come to deal with that part of the argument, that the case is one which should be entirely stamped out."

My lords, this action I might say is in itself a most unique action. I don't think that a similar action, embracing the allegations that it does has ever been presented to a Court of Justice before. The action commences with an unique writ, which of itself clearly shows no cause of action whatever. In due course I shall have occasion to refer to the words of that writ, on which the Statement of Claim is framed. The writ is followed by a Statement of Claim, which, I submit to your lordships, not only discloses "no reasonable cause of action"—but I shall be able to satisfy your lordships that, when the Statement of Claim is really looked at and analysed, it discloses no cause of action at all.

My learned friend, Mr. Lipson Ward, spent a day and a half of his argument striking, more or less, on one note, to the effect that we have not pleaded Regulation 26 of the Land Regulations: "You have not pleaded it, and, therefore, it is for you to plead the Regulation, and it is for you to prove, and to bring yourselves within it. If your lordships will concur, my learned friend, one might say, almost appeared studiously to avoid applying his reasoning to the Statement of Claim which your lordships are considering, for, after all, it is the Statement of Claim in this action that we are asking the Court to strike out. The pleading was referred to in general terms, and the argument proceeded that it was on us to plead Regulation 26, but the deductions from that argument, and the conclusions which my learned friend submitted to your lordships, he didn't attempt at any time to apply to the particular Statement of Claim which is before the Court. And his illustration, which he referred to so much on the second day, was made without any attempt to fit it into the Pleadings.

If my learned friend had gone further in his illustration, and said: "This illustrates the case which is before the Court, and I will fit it into the Pleadings," then there would have been some use possibly in the illustration which he used.

I submit, my lords, that the judgment of my lord in the Court below was a right judgment, and was the only judgment, at which his lordship could arrive, but the case which I argued in the Court below, as the ground upon which the Statement of Claim should be struck out, embraced other points besides those which were directly dealt with in the judgment. We submit that the Statement of Claim as I have said—I am repeating myself here—discloses no cause of action at all, and I think I can satisfy your lordships that the Plaintiffs have either pleaded too much or they have pleaded too little.

The Plaintiffs are, in fact, and they have found themselves to be on the horns of a dilemma. They endeavoured, after four days' argument in the Court below, to improve their position by adding certain words to the effect that the Defendants were not acting in pursuance of the Land Regulations. They realized that those words brought them to the edge of a precipice: they could not stop there, because they had either to go on or to abandon that position as they had, if they went so far, to add that we were not acting bona fide for the purposes of the Land Regulations, and, my lords, when the matter was mentioned here my friend said: "I don't mind if it is in or not: I would prefer it to be out."

The result of the Pleading is that, in order to fix these two Defendants who are before the Court with a liability, not for what it is alleged that they did on the particular evening, they have had to bring in the Municipal Council. That is their position, and I shall show when we come to deal with the Statement of Claim, they might possibly have limited their action to a pure allegation that on the 4th of April, 1931, General Macnaghten directed Captain Martin to, we will say, trespass on their land: to go down, and stop people entering on their property: that Captain Martin, in pursuance of that, entered on that leased land and prevented people going in. They would then have had on the face of it—except that they are reversionsers, and not lessees themselves—they would then have had, subject to what I shall say on the question of reversion, a prima facie case of trespass, directed by General Macnaghten, and carried into effect by Captain Martin.

They wish to fix these two Defendants, not with the loss of any profit which might have been derived by the Club, or by the Plaintiffs through the Club on that evening, but they want to fix them with the whole of the damage for the entire closing down of this dog-racing establishment: they want to fix them, not for the damage alleged against them personally, and only them personally on that evening, but they want to extend and make them pay damages, which are placed at two and a half million taels. And, my lords, what is the result of that? They have had to plead, and they cannot take it out of their Pleading, the very defence which Regulation 26 gives the Defendants. They themselves plead our own defence.

The proposition, as I make it is that we do not have to raise the defence on the particular allegations that are made: I do not say, and I should never presume to say, that in the circumstances, which I shall refer to later, the particular section would not have to be pleaded. They have, in fact, pleaded that we were acting bona fide, as the presumption, my lords, is that, where a public body does an act, it is doing it bona fide for the purposes of its statutory authority. A statutory authority acts, and can only act by its officers, and therefore the presumption must extend to the officers who are carrying out the directions of the Council. So that, if you plead in your own Statement of Claim that I did the act by the direction of the Council, and if you go on to say: "in pursuance of the declared policy of the Council the word 'policy' is used—it is the declared intention of the Council—by pleading yourselves that we are prima facie, in fact, acting bona fide for the purposes of the statutory authority—in other words, the Regulations—and having pleaded so far, in order to make a cause of action against us, you have got to take the step of saying that we were acting mala fides. Without that, you have pleaded no cause of action against the Defendants at all: you have to go further, and you have got to plead mala fides, and that they are unable to do, and dare not do.

In the various illustrations that your lordships were asked to consider, my learned friends suddenly referred to the jury having to decide this, and the jury having to decide that: at no time was any

distinction drawn by either of my learned friends between the functions of the Judge, and the functions of the Jury, and that is a matter which I shall touch upon when I come to deal with the question of the powers of the Council. Then my learned friend proceeded after concluding all his arguments on the question of the bona fides to deal with Regulation 28 of the Land Regulations and he referred your lordships to the case of the Rakusen Appeal, and I must say I have to confess to a little surprise at the fun which was poked at that case by my learned friend. He suggested that the learned presiding Judge had come to that decision, if you please, because he thought it was a nice way of getting out of a difficult question, and that was the reason why his lordship gave that decision. Your lordships, I shall submit that that judgment is a judgment which is binding on this Court.

Dealing shortly with my learned friend's, Mr. Reader Harris', arguments this morning which embraced practically two points, the one of joint tort-feasors and the other generally going into the question of damage, and injury to the reversion. As regards the matter of injury to the reversion, I submitted to my lord in the Court below, and I am submitting the same now that, when you come to analyse these Pleadings, what was shown, as regards these Defendants was a single act of trespass on the 4th of April, 1931, and nothing more, and then I said that my learned friend's action was a claim for an injury to the reversion, and that he has got to show, in order to show that it is a permanent injury, and that a single act of trespass could not by any stretch of the imagination, amount to an injury to the reversion as against these Defendants. That is all that is alleged against them.

The other submission of my learned friend, Mr. Reader Harris, was that this action was an action of joint tort: that there were three joint tort-feasors—the Council, General Macnaghten, and Captain Martin. Now my lords, as I submitted—leaving out for the moment the question whether any such tort is shown by the Pleadings, assuming, for the sake of argument, that there is such a tort between these three people, it is for my learned friend to prove that the Council itself were joint tort-feasors; they have to prove, in order to show that there was a joint-tort by the Council—if they are going to keep the Council in—that we and the Council committed the tort. There cannot be joint tort-feasors unless both parties to the tort committed a tortious act. It must be a tort by each, otherwise it is a single tort, so the Plaintiffs are bound to show that this alleged act, this joint tort was unjustifiable on the part of the Council, that is what they have to show, otherwise it is not a joint tort.

Oct. 6.
At the conclusion of the yesterday's hearing, Sir Joseph Kemp propounded a question to Mr. Holborow as to whether under the authority of the case of *Wedge v. Berkeley*, 6 Ad. & Ell. at p. 663 a question of mala fides could be raised, without pleading mala fides, and in reply this morning, Counsel said:—

If your lordships will look at that case, you will see that it was a simple question of tort—a simple allegation of (1) or assault and (2) for taking from him his wheelbarrow, etc., and the pleading was simply "not guilty." Not "not guilty by statute," but just "not guilty." In the course of the evidence it appeared that the defendant was a magistrate, and acting in a magisterial capacity. At the conclusion of the arguments on both sides, counsel for the defendants asked for a non-suit on the ground that no notice of action had been given, and also on the ground that no evidence of bad faith had been given. The Judge put the case to the jury, if he had reasonable ground for believing that the property had been stolen, and he saw no such ground, yet notwithstanding that the jury gave a verdict for the plaintiff, but the question raised under the protection Statute 24 Geo. II as to Notice, and which, therefore, raised the question of mala fides, was not put to the jury. You see it was a simple allegation of a tort, and nothing added at all—no allegation that the magistrate was acting as a magistrate, or that he acting in a magisterial capacity, and the answer was, simply, Not Guilty, and the learned Judge held that where the evidence showed that the de-

fendant was a magistrate, acting in a magisterial capacity, he was entitled to notice of action, unless the question of his good faith had been put to the jury, which it had not been.

Now, my lords, it is clear from that case that, nothing being alleged further than the tort, there was no necessity for the plaintiffs to allege mala fides—he had not gone to the length of saying that the magistrate was acting in a magisterial capacity. If he had done so, he would have raised the presumption that he was acting in good faith, and would have had to add, to defeat that presumption, that he was acting in bad faith, and the case shows that it is clear the burden of proof of mala fides was on the plaintiff: a fortiori, if the defendant had in fact pleaded the section—if he had pleaded the statutory defence—, but there, he had not even pleaded the statutory defence, and yet the Court said: The onus of proof is on the plaintiff to establish mala fides.

I don't suggest, and I have never attempted to suggest, for one moment that, if in this case the defendants had simply said that on the 4th April General Macnaghten directed Capt. Martin to do this trespass, and nothing else: if they had not raised in their Pleadings any presumption of bona fides: if they had not raised the power of the Council under the Land Regulations, but had simply and purely brought an action for that particular tort—I don't suggest that in that case it would not have been necessary for the defendants to have pleaded, if they relied upon the defence, Regulation 26 of the Land Regulations unquestionably, because there would be nothing at all on the Pleadings to show that the defendants are in any way connected with the Council, or acting under the directions of the Council.

It is really extraordinary, my lords, in the course of this case, listening to the arguments of my learned friends, how they cannot confine themselves to this defence. It is: The Council did this, and the Council did that: the Council forcibly entered our premises: the Council have stopped us from doing this. Anyone listening in this Court to my learned friends would think that this Court was trying an action against the Council, and, although no allegation of mala fides has been alleged, my learned friend, Mr. Reader Harris, yesterday insinuated—indeed he made the statement that the Council had acted with "contemptuous indifference."

My lords, the cases cited to your lordships clearly show that where a statutory authority is acting, the presumption is that it is acting bona fide, and where you bring an action, and you allege that the officers of a public authority are acting on the directions of the public authority, and in pursuance of the policy of the public authority, and as the public authority can only act by its officers—the acts of the servants are the acts of the corporate body—if you allege these facts in an action for tort, you yourselves have raised the presumption, and you cannot bring evidence to rebut presumptions of your own Statement of Claim. You must plead matters to rebut them: therefore, they must either go and plead something to rebut the presumption viz: that the defendants, Gen. Macnaghten and Capt. Martin, acted with dishonest motives and in bad faith, or they must go back, and remove the action to a simple action of tort against the defendants personally. It must be either struck out, or, if it is pleaded, they must go on, and plead mala fides.

We are dealing here with the Land Regulations which are not a public statute, but they are land regulations governing a particular body, relating to the affairs of a particular body in a particular locality, and public officers, under the Council here, have got to deal with all nationalities, and there are so many reasons one could suggest as to why their difficulties in a Settlement like this, are extraordinarily difficult, and much more difficult than those of the officers in an ordinary Corporation in England, or in any other country. There is not a single suggestion in the Statement of Claim that Gen. Macnaghten and Capt. Martin acted in bad faith, or with a dishonest motive—for that is what mala fide means—it might mean more, but it means that at least.

The alleged cause of action is in paragraph 13 of the Plaintiff's Statement of Claim, and damages are claimed, not for what Gen. Macnaghten directed Capt. Martin to do on April 4, but they are claimed in the amount of two and a

half million taels for everything that the Council said they would do. They are not connected in any way in the Pleadings with what the Council said they would do, but they claim damages—not for the loss of the profit amounting to say taels two thousand on the evening of the 4th of April—but they introduced Gen. Macnaghten and Capt. Martin with a cause of action which they say renders them liable for all the damages which they sustained for the closing down of the dog racing establishment. I have submitted, and do submit, that when you come to look into the Statement of Claim you will see, as I have said before, (1) that the Pleadings, in fact, show no cause of action against these Defendants and (2), that, as it stands, they have brought in the Council and the Regulations with open eyes: they have said that we are acting under the direction of the Council. "In pursuance of the Council's policy, and in so doing—in reaching out for damages, apart from any damage sustained on the night of the fourth of April—they have virtually alleged, as I have contended, that the Defendants were acting bona fide. That is the presumption.

Sir J. Kemp:—Before you pass on, I am not quite sure that I appreciate the points of your last remarks. I can see the point that the Plaintiff, having included the Council, has thereby himself raised the presumption of bona fides, but what you said on para. 13 was that, up to that para, there was nothing to connect the two Defendants with the Council, or to show that they knew what the Council was doing, and then the Plaintiff charges the two Defendants with the whole damages for what the Council said what they would do, not only the damages flowing from the act on the evening of the 4th of April. They bring in the two Defendants then, at that stage of the narrative, into the joint tort, and they join the conspiracy on the evening of the fourth of April, if they hadn't joined it before.

Mr. Holborow:—There is no suggestion that they had any knowledge whatever of the declared intentions of the Council, neither are there any allegations.

Sir Joseph Kemp:—They joined the joint enterprise on the evening of April 4?

Mr. Holborow:—There is no suggestion that they had the slightest knowledge of any enterprise whatever.

Mr. Ward:—Is it not in para. 13 they alleged that they did?

Sir J. Kemp:—Then in para. 13, there is no allegations that they shared in the design.

Mr. Holborow:—There is no allegation that the defendants themselves or either of them were aware in any way, of what the Council intended to do. There is no allegation at all that they knew anything whatever about the Council having informed the Club that they would not be allowed to race their dogs, after March 31—not a single suggestion.

Sir Peter Grain:—"In pursuance of the declared policy of the Council": that is an allegation.

Mr. Holborow:—They do not in any way connect, in their Pleadings, the Defendants definitely with the Council: they make a general allegation, without in any way connecting with the allegation at the end that the Defendants were acting in pursuance of the declared policy of Council. There is nothing to suggest that the Defendants, at any time, had any knowledge of what the policy of the Council was, one way or the other, or whether they declared that dog racing was to close, or they were to allow it to go on: all they allege was, that on a certain night Capt. Martin received a direction to go down and stop dog racing on that evening. The next night some one else might have been sent.

Sir Peter Grain:—Then, on that night, although they are alleged to be acting in pursuance, it may be that they had no knowledge of it at all?

Mr. Holborow:—There is no reference in the Pleadings to any knowledge by the Defendant, of the policy of the Council.

Sir Peter Grain:—Your point is, that, in fact as it happens, they were acting in pursuance, even without knowing it?

Mr. Holborow:—Yes, in pursuance of a statement by the Council that they would not allow dog racing after a certain day. As regards these Defendants, they merely went on one day, and there is no allegation that they knew that because they stopped it, on that day. It was in pursuance of the Council's policy: they might have had an entirely different reason for

stopping it on that particular night. All they allege was, that on the night of April 4, Capt. Martin went down, and obeying his orders, they shot the dog racing. That is an allegation against him. Supposing, for a moment, that the Council had threatened to stop the Defendants dog racing? That is not an actionable wrong, and you cannot bring an action for damage for threats. You might obtain an injunction if the circumstances are strong enough, to restrain the carrying out of the threat.

It is a curious position here, and the Court is bound to ask, over and over again: why didn't the Plaintiffs, when they had this threat, that on a certain date, the Club would not be allowed to dog race, seek an injunction against the Council to restrain them carrying out that threat? They could not ask your lordships for an injunction against Capt. Martin: it might be, an entirely different man who was ordered to go there. Instead of taking their ordinary remedy, they bring a common law action for damages, and they say: it is a tort on the part of the Council, to threaten to stop dog racing, altogether, and they say they directed Capt. Martin to stop it, and therefore, he is a joint tort-feasor. My lords, it really becomes ridiculous. Supposing there is a shop-keeper, and a competitor, or some one else says to him: Look here, if you don't stop your business, I will stop you by force, and he sends one of his servants to the shop. The servant on a particular evening, stands on the door-step—this is a trespass—holds out his arms and prevents every one going in. What happens? The shop-keeper doesn't bring an action to restrain the competitor from carrying out his threats, but he calmly sits down, closes up his business, and claims an enormous sum, and retires on the profits he alleges he would have made in the future. That is what they have done: they say: Oh, you threatened me, and I am going to shut up, not for one evening, but for ever and ever, and I am going to claim two and half million taels. He has his equitable remedy for an injunction and claim for damages for what took place on the particular evening, but he has not got, for a threat, any action at Common Law.

I have been looking for a definition of "doubt," and I find that Webster's, it is equivalent to "question." If two persons hold a different view, then a doubt—a question—must arise. If I am doubtful as to what the Regulations empower me to do, I am personally in a position of doubt: another man has a different view, and he is in a position of doubt also. The two men raise between them the question as to what are the powers conferred on the Council. Now his lordship is asked in this case to determine whether or not the Council committed a tort, and that must essentially raise the question as to whether or not the Council were acting within its powers. I do not propose at any length at all, to deal with my learned friend's arguments as to whether or not, as he contends, this clause saying that: "Questions etc. shall be referred to the Foreign Consuls etc., and also to the Chinese Authorities," i.e., where doubt arises, shall be referred to the contracting parties: on the one hand, the Foreign Governments, and on the other hand, the Chinese Authorities. I merely make this observation: it seems to me ridiculous to suppose that the two contracting parties A and B make an agreement to do certain things, and they say: If a question arises between us, we shall decide it ourselves, and it shall not be referred to an arbitrator. Now how can they agree when they have already disagreed? Instead of referring it to the League of Nations, or else some outside Authorities, they say: If we have a dispute between us, it shall be decided not by some outside arbitrator but by ourselves.

Sir Peter Grain: Do they say that? Don't they say they are coming to the Judge of this Court to decide it for them?

Mr. Holborow: The Plaintiffs do certainly, but my learned friend's contention is this: that this Regulation means that it does not apply to disputes arising between the Council on the one hand and members of the Public on the other; he says it applies between the contracting parties—on the one hand the Foreign Government and on the other hand the Chinese Government.

My lords, the Rakusen case decided the construction that is put upon Land Regulation 28, and although my learned friend stated that it revolved around a "tupenny-hapenny" case of not having a tail light on his car, which I agree is a most trivial matter, the result of the

judgment is not by any means trivial, for if the learned Magistrate's decision was allowed to remain, it meant that every motor car owner could drive without lights and do all sorts of other things on roads outside the Settlements. It therefore became a question of very great importance, and for that reason, the Council took it up and appealed to the Full Court. C. P. Rakusen was charged by the S.M.P. for that, while in charge of a motor-car on October 27, 1931, he failed to fix a lighted lamp to the rear of his car. The Magistrate came to the conclusion that, as a matter of fact, the car had not a light on the day in question, but as the evidence "shows that the offence was committed on the North Szechuen Roads extension outside the Settlements, I dismissed the charge. I hold, as a matter of law, that the Bye-laws cannot be applied outside the limits of the Settlement." It was a decision on a matter of law as to the powers under the Regulations, and it is to be noted that the Bye-law itself was never questioned by the Magistrate. The case went to Appeal, and the learned Chief Judge, after, reading Regulation 28, put the natural and only meaning of those words of the Regulation, and said: "It seems to me, then, that the question decided by the Court below, and sought to be decided by us here, is one dealing with the powers conferred by the Regulations, and that question has been expressly withdrawn from the Court," and the Court sent the case back to the Magistrate with directions to convict.

Mr. Mossop: The decision of the Full Court in that case, amounts to this, that the Full Court has no power to decide that the Municipal Council did not have power to make that Bye-law, and that therefore, any British subject, falling within the purview of that Bye-law—the facts being found against them—would be liable to conviction under that Bye-law. Is there not a distinction in that case between finding a legislative power of the Council, and deciding as to the executive power of the Council?

Mr. Holborow: There was no question of deciding there as to the regularity of the making of the Bye-law: that was not raised: in fact, the learned Magistrate never questioned it for one moment. He sent purely to the Higher Court, the point of law which was really raised indirectly. He said the Council had acted ultra vires their powers.

Sir J. Kemp: The legislative powers of the Council?

Mr. Holborow: There is no limitation in the construction which is placed on Land Regulation 28 at all. It does not suggest for one moment that the Regulation refers to Administrative or any other branch of the Council's powers.

Sir J. Kemp: But the case before it was one concerned with the Legislative power, and how does the case go further than to decide that this Court has no jurisdiction to decide question relating to the legislative powers of the Municipal Council.

Mr. Holborow: If I am right, the Bye-law which was made, under which the Magistrate was asked to convict, was under Regulation 11 of the Land Regulations. It is not a question of the legislative powers of the Council to make Bye-laws, because it says:

"Provided also that no Bye-laws made by the Committee under the authority of these Regulations, except such as relate solely to their Council or their officers or servants, shall come into operation until passed and approved by the Consuls and Ministers of Foreign Powers having treaties, or a majority of them, and the Ratepayers in Special Meeting assembled: of which meeting, and the object of it "ten days" notice shall be given."

Sir J. Kemp: One would say, then, the case raised the question of the legislative power under the Regulations.

Mr. Holborow: The judgment clearly shows, I submit, that it refers to the Council's powers generally.

Sir J. Kemp: Even if the actual points in dispute in Rakusen's case are not identical with the points in dispute here, the one being a legislative matter, and the other administrative, I suppose you would say that the judgment being in such wide terms, is binding on us?

Mr. Holborow: Yes, my lord, I should say that the judgment is binding, because in order to arrive at it, the Court had to read Regulation 28, and it had to say whether or not that Regulation applied to this Court so as to oust its jurisdiction, and had therefore to say that it was bound by the Regulation,

and that this Court had no power to decide questions, or doubts arising as to the powers conferred on the Council. That is what I submit, is the result of that decision.

Mr. Mossop: On your construction of Regulation 28, and your submission, what have you got to say on the point raised by Mr. Ward that Regulation 28, putting your construction on it, ousts the jurisdiction of the Court of Consuls also.

Mr. Holborow: I say, my lord, that Regulation 28 is not binding on the Special Court established under Regulation 27, because that was a Special Court which, specially gave jurisdiction over the Council, and to enable that Court to have jurisdiction over the Council, it must be implied that it had power to decide questions of the Council's powers, and that is the distinction. You must read Regulation 28, with the qualification of a Special Court being established under the Regulations, and being given express jurisdiction over the Council, it must be implied, almost of necessity, that that Court has power to decide all questions arising as to the powers of the Council. Further, my lords, supposing a case is brought against the Council in the Court of Consuls, and a very difficult question arises, as to the powers of the Council: it might well be that the Court of Consuls itself would of its own motion, if they held it was a point of importance upon which they had considerable doubt, decide to refer it to the diplomatic authorities to see if any construction, mutually agreeable to the Foreign Powers and the Chinese Government, could be arrived at, but, as regards Regulation 28, and the Court of Consuls, I submit that the Court of Consuls has power and must have power because of Regulation 27, which creates it to decide questions as to the Council's powers which come before it, and that the jurisdiction which is ousted by Regulation 28 is the jurisdiction of the various Foreign Courts administering justice in the Settlement. That is my submission.

Sir J. Kemp: Yes, but the drafting is very bad—it is very badly drafted indeed!

Mr. Mossop: Before you pass from the Rakusen case, Mr. Holborow, I wonder if you could help me on this small point. You have told us that Bye-law 36 was made under Regulation 11. Now Rakusen's case was not under Bye-law 36, but under Regulation 39 of Bye-law 36: in other words, Bye-law 36 gives the Council power to make reasonable regulations for traffic, and Rakusen's case came under Regulation 39 of Bye-law 36. Do these Regulations, made under Bye-law 36 ever go to any Consular body or Ratepayers meeting, or anything like that sort?

Mr. Holborow: I may say at once, my lords, that they do not.

Mr. Mossop: So that the effect of that ruling is that, whatever the Council may provide by a reasonable traffic regulation, is binding on all residents, without a possibility of their saying whether it is reasonable or not?

Mr. Holborow: That particular question will require serious consideration, but it was not raised in the Rakusen case at all. The question of the construction or the way the Bye-law came into force, or the subject of its wording, was not a matter of argument: the learned Magistrate simply reserved the question of law as to the Council's powers. That is how I read it.

Mr. Mossop: You see, in the judgment in the Full Court in that case, they start off by quoting a Bye-law, under which the charges so-and-so but when you look into it, you find it is not a Bye-law at all—it is a Regulation under a Bye-law. He goes on to state how the Bye-law is made and so on, but it appears, if you look into it, that the Bye-law is not a Bye-law at all—it is a Regulation made under a Bye-law.

Mr. Holborow: Yes, it says that Bye-law 36, was the Bye-law passed and approved and therefore has the force of law.

Oct. 7.
At the outset, Sir J. Kemp addressing Mr. Holborow said:—"There is one point with reference to what you said towards the close of yesterday afternoon's hearing, and that is that there cannot be a general tort between Gen. Macnaghten and the Council, because Gen. Macnaghten was a member of the Council, and it would be a tort between himself and himself. Is not the Council a statutory legal entity, somewhat in the nature of a company and its shareholders?"

Mr. Holborow: I was going to mention that this morning, I realised that perhaps the illustration did not apply where you have a

statutory corporate body, and members, but I think the argument will apply in this way: You have here a statutory body, we will say, and the personality of the statutory body consists of, say, Brown, Jones and Robinson, those three people constitute the statutory—the corporate—body. Now, if that corporate body passed a resolution to do some act which may be tortious, could it be said that the corporate body, in respect of the resolution, and Brown Jones and Robinson were joint tort-feasors? Could you bring an action for a joint tort against the corporate body, and against Brown, Jones and Robinson, who passed the resolution, which effected the tort? That seems to me to be the position. You have a corporate body, and you have the individual members which constitute it, who have passed a resolution, and you say that Brown Jones and Robinson and the corporate body committed a joint tort.

Sir J. Kemp: Except, of course, that the Council is different altogether, just as the company in the case of *Salmon v. Salmon*.

Mr. Holborow: Your lordship understands that the case is different where the corporate body acts by its directors: that is rather different to the case here, where the corporate body is, in fact, as I have suggested, Brown Jones and Robinson—they are the Council, which is the corporate body.

Sir J. Kemp: One thing, of course, the corporate body might have property, and the individual might have none: that is one important factor.

Mr. Holborow: That is so, my lord. In regard to this particular corporate body, it is provided in Land Regulation 27, which constitutes the Court which has jurisdiction over it, and the Court which can decide whether or not it has committed a tort: it provides that the damage recovered can be paid out of the public funds. Of course, that at once raises the question in the minds of your lordships: Why has this action been brought against these two individuals, and not against the Council? It cannot be suggested for one moment that if the Council was subjected to the jurisdiction of this Court—if this Court had been named in this Regulation 27—this action would ever have been brought.

Regulation 27 establishes a special Court for the purpose of hearing claims for torts, or otherwise, against the Council, and that is the Court—the proper Court—to decide whether or not the Council has committed a tort. The plaintiffs, through the medium of these two defendants, are asking this Court to usurp the jurisdiction which is given to the Court of Consuls by Regulation 27: they are asking this Court to assume a jurisdiction which has been given over the Council to the Court of Consuls, and they are asking this Court to decide, disregarding of that Court, that the Council has committed a joint tort with these defendants.

Now, the effect of Regulation 26, without considering Regulation 27, is to oblige the plaintiff to obtain his remedy against the Council, on the assumption that the defendants are acting bona fide, and Art. 27 provides a remedy which the plaintiffs would not otherwise have at common law, and a Court to determine that remedy viz: the Court of Consuls. Now let us remember that the situation is different to what it is in England. In England you have the same jurisdiction over the individuals and over the corporate bodies. Here there are two distinct jurisdictions: the jurisdiction of this Court over the individuals, and there is a special Court established which gives jurisdiction over the corporate body, so that, in applying cases, you must regard—you are bound, I submit respectfully, to regard—the special circumstances which prevail here.

Sir J. Kemp:—You mean to decide the question of the powers of the Council?

Mr. Holborow:—No, unless you can show that the defendants acted mala fide. The effect of Regulation 27 is to oblige the plaintiffs to bring their action against the corporate body. Regulation 26 does not take away the plaintiff's remedy altogether, but it gives him his remedy and obliges him to seek that remedy, in the absence of mala fides, against the corporate body.

Where you have a tort committed by a person outside the jurisdiction of this Court, and you bring an action against a person subject to this Court, or who is in the jurisdiction of this Court, and you say it is a joint tort, you have got to show that the other tort-feasor, was a tort-feasor according to the law which governs him. Take for example a tort committed by an American and an Englishman, we will say, in America. The En-

glishman comes to England, and you sue him in respect of the joint tort committed by himself and the American abroad: you have got to show two things.

(1) You have got to show that the tort is a tort according to English law, and (2) You have to show that the tort is a tort according to American law, otherwise you cannot get judgment. One of the things that you have to prove is the foreign law—municipal law—governing the person concerned.

Take for instance the illustration of my learned friend, Mr. Lipson Ward. He said a Frenchman and two of his servants committed a tort. I don't wish to sue the Frenchman. I wish to sue the servants, and I do so, but he sues the servants for the tort which they committed: if he sued them for the tort which they and the Frenchman committed, he has to prove that the tort is a tort by French law.

Sir J. Kemp:—It is a question, is it not, of the law of the place, of the jurisdiction, within which the tort was committed?

Mr. Holborow:—I should say it was a question of the law governing the person.

Sir J. Kemp: No, personal law—not the law of internationality, but the law of the place where the tort was committed: is not that so?

Mr. Holborow: Yes, that is correct. I submit you cannot proceed with this case to show that the Council, not subject to the jurisdiction of this Court, has committed a tort, in this act which is alleged against them here, unless he produced a judgment which binds this Court, of the Court of Consuls that the Council has committed a tort: otherwise they could not be joint tort-feasors. My learned friend says: "We admit we have got to show the Council committed a tort:" my answer is that the only way in which you can show that the Council committed a tort is to produce a judgment of the Court of Consuls, that the act alleged against, and committed by, the Council—in this case the joint tort-feasors—was in fact a tort: because the Court of Consuls does not apply English law.

Mr. Ward: How do you say that? Is that not a matter of evidence?

Mr. Holborow: I will put it another way: it does not say what law is to be applied.

Mr. Mossop: Mr. Holborow, may I take the more simple case that you mentioned a few minutes ago of the American citizen and the British subject who, we will say, does an alleged actionable wrong in Shanghai. Assuming that the plaintiff sought to sue the British subject in this case for a joint tort: it follows from your submission that it is impossible for him to do that, does it not?

Mr. Holborow: No.

Mr. Mossop: What is the proper cause then?

Mr. Holborow: In the cases which I have cited, it clearly states that you have got to prove in the English Court, if you bring an action against the British subject for a joint tort with the American, that by the law governing the American, he has committed a tort. That is a matter of fact, which has to be proved in this Court, and it would be proved by calling legal experts as to the American law. In that case you wouldn't require any judgment of the American Court necessarily, because the action is brought here against the Englishman in respect of the tort with the American. Here, you can't ascertain what law is going to be applied to the tort, alleged to have been committed by the Council, to determine whether or not the Council has, in fact, committed a tort.

You can sue the individuals in respect of their individual torts, but if you are going to show that the Council and they committed a tort, the only way which you can establish that in this Court is by a judgment of the Court of Consuls.

Sir J. Kemp: You have not got to obtain judgment in the other case: you only have to call expert evidence?

Mr. Holborow: No, because you know there, the law which has to be applied, and you give evidence.

Sir J. Kemp: And if the tort is committed in a country that has no body of law, you apply the law of the domicile. Can you not do that here? Is there no body of law, in consequence of the domicile, by which you could?

Mr. Holborow: The Court of Consuls does not apply the law applicable to its domicile.

Mr. Ward: I object again: we don't know what law will be applied.

Mr. Holborow: Very well, I don't know what law will be applied.

Mr. Mossop: Why should we assume that it cannot be proved in the

same way as in the American Court?

Mr. Holborow: Who is going to prove it?

Mr. Mossop: I don't know, but you are asking this Court to assume that it would be impossible to prove that law.

Mr. Holborow: I don't go as far as that, of course, because we don't know what law is going to be applied except the law that is actually applied, and you can only produce your evidence, prove your facts of the tort by the Council, by producing a judgment against the Council that they have committed a tort.

Sir J. Kemp: You say that you have to get a judgment, because there is no body of law laid down for the Court of Foreign Consuls. My question was: whether you cannot ascertain and ought not to, first of all the domicile of the Council, and then prove the law of that domicile?

Sir Peter Grain: Mr. Holborow, cannot you prove the law of the Court of Consuls by decisions which have already been given by the Court of Consuls. As an illustration: assume that on some previous occasion the Council had closed down a dog racing or horse racing establishment, and an action had been brought in the Court of Consuls, and the Court of Consuls decided either that it was beyond the powers of the Council or that it was within their powers. Wouldn't that be some evidence of the law?

Mr. Holborow: It would be, if the case was on all fours. If the circumstances are identical, then it would be a decision by the Court on the same identical question.

The next point I propose to deal with is the question of reversion. The Plaintiff's case is that they are the reversioners in this property, and they are suing for an injury to their reversion. It may be well, before referring to the pleadings, showing the plaintiff's position as reversioners, to refer to their writ. The Plaintiff's claim is for: "Tls. 2,500,000 damages suffered by the Plaintiff in consequence of the permanent, wilful, obstruction by the first Defendant, Capt. Martin, acting jointly with, and under the direction of the second Defendant, General Macnaghten, and or of the Council for the Foreign Community of Shanghai,.... of the right of access of the Plaintiff by its tenants, the Greyhound Racing Club to their premises in Ward Road, Shanghai, sometimes known as Luna Park".

Mr. Ward: May I again remind your lordships that is an application to strike out the Statement of Claim. There is no objection to anything put in the writ, and any reference to the writ is immaterial. My friend is limited to the allegations contained in the Statement of Claim.

Mr. Holborow: I am referring to the writ because the Statement of Claim is framed, presumably, on the writ which commenced the action.

Sir Peter Grain: You make your point, Mr. Holborow, by referring to the Statement of Claim itself.

Mr. Holborow: Paragraph 10 of the Statement of Claim alleges that the Club were told by the Council that they must limit their dog racing to one night a week—that was to the club, and not to the Plaintiff because they were not dog racing, and para. 11 says that the Council notified the Club their dog racing must cease on the 31st of March, 1931. Then on the fourth of April, notwithstanding the notification from the Council, the Club held or commenced to hold a race meeting. Now, the racing by the Club on this property, ceases—it must cease—with the lease, they are the sub-lessees of this property, and when the reversion falls in the racing stops automatically, they cannot go on: they have no right to go on: they are no longer lessees. It absolutely denies, from their statement any injury to reversion.

Sir Peter Grain: If you stop racing to the Club, the Club cannot pay the rent to the Plaintiffs.

Mr. Holborow: There is no contention alleged, on the Pleadings, by the Club that it will dog race: there is no contract shown by the Pleadings that it will make a profit. It simply says that if it makes a profit, the profit will go to the Plaintiff, because this is not an action for procuring a breach of contract, for no contract is shown, and no suggestion is made—and if it could be made, it could only be made that the Council procured a breach of the lessees' contract. It has never been suggested, but as I had said, even if the Council's intention permanently to stop dog racing had been made—there is a

declaration on the Pleadings: "The Council said, we shall stop dog racing after a certain date"—but it does not follow for one moment that Capt. Martin is going down to stop dog racing at any date after the fourth of April, some one else might go the next night, and you would say, the moment he goes: He is liable for all the damage for closing up the Racing Club: and if he goes the next night, he is liable for greater damage still, and if you send down various men after Capt. Martin went, they say by their Pleadings that Capt. Martin is responsible for the stopping and for the trespasses of the different people who went down afterwards. I submit it reduces the Pleadings to an absurdity as regards the Defendants.

Sir Peter Grain: You are applying that to Capt. Martin only: that doesn't apply to the Chairman?

Mr. Holborow: They say that the Chairman is one of the three joint-tenants, or he is one of the two viz., himself and Captain Martin. If he is one of two, he is one in the act that was done by Capt. Martin on that evening, when he was directed to go on that evening, and that is the joint tort; but there is no suggestion in the Pleadings that at any time Gen. Macnaghten or Capt. Martin had any intention permanently to stop dog racing, or that Gen. Macnaghten was going to send Capt. Martin down on any subsequent evening. The latter might say one evening: I refuse to go, or if he went, as I said this morning, the Council might say you had no authority to do so. It is no case of permanent obstruction like building a palisade, or something of that kind to prevent dog racing from going on. Some permanent building on the Municipal road, which would show that it was permanent structure on the Municipal road, which would show that it was a permanent obstruction, even so it has to go beyond the lessees' interests to touch the reversion.

Now, no action lies at common law for a mere threat to do an injury such as a trespass. Each trespass constitutes a separate cause of action, and you cannot claim damages for an anticipated or threatened further trespass. The Defendants are not responsible for the Council's threat to stop dog racing and there is no threat by the Council at all that they will direct Capt. Martin or anybody else to commit a similar trespass if the company races its dogs the next evening or on subsequent evenings: there is no threat by the Council at all that they will at any time, use the particular method of obstruction of sending down Capt. Martin.

The action has taken the form of a claim for a continuing wrong—something that might never happen again, and no one has ever suggested that there will be any repetition of the same thing. The only act of obstruction on that evening was that particular trespass.

They may have had a right to bring an action for that trespass, and if that they will direct Capt. Martin for the repeated trespass, but, as I say, the only people who had the right to bring an action for trespass was the Club, and not the Plaintiffs, because these separate acts of trespass would not extend to the reversioners. I had been reminded that that is, of course, a decided rule of Law—that you cannot bring an action for a threatened continued wrong. During the course of the hearing, Mr. Holborow quoted copiously from legal works of reference, and just prior to the rising of the Court, Sir J. Kemp and Mr. Mossop proposed the following questions for Mr. Holborow's consideration which they desired to be dealt with—

Sir J. Kemp: One point is: Assuming that the Plaintiff had to plead mala fides: also assuming that they have failed to show anything which might be an injury to the reversion: assuming also that they cannot prove that the Council was a tortfeasor, because they had failed to adopt the only means of doing that, by getting a judgment in the Court of Consuls. Assuming all that, in your favour are any of those points, or all of them together any ground for striking out the Statement of Claim? This is not an application for judgment on admissions in the Pleadings. Is it a ground for striking out the Statement of Claim? Do they singly, or together, amount to grounds for striking out?

The other point was different. You say that in order to prove the Council to be a joint tortfeasor, they would have to get a judgment from the Court of Foreign Consuls. That point I understand. There appears to be another possible point, however. Take the case of an ambassador—the French Ambassador—he does some act jointly with a British subject in England—an act

which, prima facie, is a tort, and would be a tort in any ordinary person. Being an ambassador, he is withdrawn permanently from the jurisdiction of the English Court. Could you, or could you not, sue the other person—a British subject—as a joint tortfeasor with the ambassador—and so recover from him damages? You could not recover, if it was a simple tort by his own act. The Council here, of course, are permanently withdrawn from the jurisdiction of this Court, just as the ambassador is in England. One view would be that the withdrawal of the ambassador from the English jurisdiction would have the effect of making his act not a tort. The other view, of course, is that it would be a tort, just as it would have been in a private individual, but there is no remedy. If that is a proper view, of course, you could sue a British subject for a joint tort. Then probably, one might get some help from that point by considering the case of a joint tortfeasor who dies. Can you sue, or can you continue the action against the other, so as to recover the full damages. I don't know whether these points will be very relevant.

Mr. Mossop: I have a question which is very closely related, Mr. Holborow, to the last question submitted to you by the learned Chief Justice. It is this: I would like you to consider, how far, if at all, the provisions of Art. VI of our Order in Council have a bearing on this question of the joint torts, and the necessity of going to the Court of Consuls in the first instance. That Article apparently contemplates the giving, by the Court of Consuls, of certain orders and decrees which this Court might have to enforce, and it may or may not, have some bearing. I would like you to consider it. You will find that sub-Art. I comes to us from the 1904 Order in Council: Sub-Art. II comes to us from the 1913 Order in Council, and now these are amalgamated under Art. VI of the present Order in Council.

Oct. 8.
Mr. Holborow proceeded at once to answer the questions, and, in doing so, said:—

The Chief Justice yesterday, at the close of the proceedings put to me certain questions, and the first one was: Assuming that the plaintiff had to plead mala fides, also assuming that they have failed to show anything that might be an injury to the reversion: assuming, also, that they cannot prove that the Council was a tortfeasor, because they had failed to adopt the only means of doing that by getting a judgment in the Court of Consuls. Assuming all that in your favour, are any of those points, or all of them together, any ground for striking out the Statement of Claim?

Now, that question introduces the question of amendments, because mala fides has not been pleaded here, and if it is not pleaded, the action would be struck out, because the essential averment has not been made but, if the plaintiffs desire, in order to prevent the action being struck out, to plead mala fides, then, before they can do so, they have to satisfy the Judge, by affidavit, that their plea is a genuine one. That is clearly laid down in the case of Lawrence v. Norreys L.R. 15 A.C. 210, which has been referred to by Mr. Lipson Ward.

Sir J. Kemp: That was the case where leave was refused?

Mr. Holborow:—Yes, and the House of Lords, in its Judgment, said that they not having pleaded mala fides, before the Court would allow them to do so, they would have to satisfy us on evidence of affidavit that they have grounds for alleging mala fides, before the amendment will be allowed.

Mr. Ward:—I think that was "concealed fraud".

Mr. Holborow:—Yes: it is the same thing.

Sir J. Kemp:—Have you got any case which says that, in lack of some particular averment, the Statement of Claim will be struck out before any other Pleading is filed?

Mr. Holborow:—That is the case of Lawrence v. Norreys, where no defence was filed there.

Sir J. Kemp:—That is a very exceptional case.

Mr. Holborow:—But when you bring an action, and you ought to have alleged mala fides, and you fail to do so, the principle laid down by the Court was that before they would allow an amendment of this kind, which amounts to a charge of dishonesty, or dishonest motive, or fraud, you have got to satisfy the Court that you have grounds for your allegation.

not on the ground that some particular averment had been omitted from the Statement of Claim.

Mr. Holborow:—In that case the particular averment was a serious allegation, just as mala fides is, and the Court would not allow to be made, that which was desired to be made in order to protect the action and prevent its being struck out, without requiring an affidavit on the part of the plaintiffs, showing the Court that they had reasonable grounds for alleging mala fides.

The next point of his lordship's was: Assuming they failed to show anything which might be an injury to the reversion, would that be a ground for striking out the Statement of Claim. My answer to that is: Yes, because the Statement of Claim discloses no case of action. If the Pleading doesn't show something which might be an injury to the reversion it discloses no case of action, and therefore should be struck out. Under Order XXV, Rule IV of the Rules of the Supreme Court in England at p. 428 there occur, under the Head Note, the words, "If in an action of contract it appears clearly that there is no contract between the Plaintiff and the Defendant" the Statement of Claim will be struck out, and the action dismissed. I am not at the moment dealing with inherent jurisdiction, but specifically under Order XXV, Rule IV.

Sir J. Kemp:—And the action can be stayed before the delivery of the defence.

Mr. Holborow:—Yes, because there is nothing to reply to.

The next point of his lordship's was:—Assuming that they cannot prove that the Council was a tortfeasor, because they had failed to adopt the only means of doing that by getting a judgment in the Court of Consuls, would that be a ground for striking out the Statement of Claim? Now, my submission in answer to that is, that until they obtain such a Judgment, the action is premature, and should therefore be struck out, or stayed until such Judgment was obtained, with liberty for the defendants to apply, in the case of a stay, to have the action struck out, if it could be shown that the plaintiffs had no real intention of bringing such action, and had not instituted it. My summons was either to strike out, or to stay, and the answer to the question of his lordship would be that, if the action should not be struck out on the ground that it was premature, then it should be stayed until they had got such Judgment, and struck out if they showed that they did not seriously intend, by taking proceedings, to obtain, or endeavour to obtain, such Judgment.

Sir J. Kemp:—The question is whether that would be ground for striking out at this stage, isn't it? They might, when the Pleadings were closed, and the case came on for trial, be able to prove in some way foreign law, though at the moment it doesn't appear that they can.

Mr. Holborow:—Our submission is that they cannot prove the alleged joint tort, until they have got a judgment, and, therefore, the action is misconceived: it should be brought after they have got their Judgment.

Sir J. Kemp:—Yes, but would that be clear until the proceedings were closed?

Mr. Holborow:—I should say it would be, under Order XXV, Rule IV, in that it was frivolous—a frivolous thing to do to bring an action in this Court for a joint tort, which must take its ordinary procedure. They have no grounds, once they institute their action, to stay their action until after they have their Judgment, because they should have got their Judgment first.

Sir J. Kemp:—They might say, e.g. We have not got to prove any particular law: it will be assumed that this interference with private rights would be a tort under any civilised system of law: we have not got to prove it: it can be assumed.

Mr. Holborow:—But they have got to prove it. Your lordship's question was that they cannot prove that the Council was a tortfeasor, because they had failed to adopt the only means of proving it—by getting a Judgment in the Court of Consuls.

Sir J. Kemp:—What I meant just now was that they cannot be clear until the trial.

Mr. Holborow:—It is clear at the time the application is made—on the face of the Pleadings—that they have brought an action for something which they cannot prove at the time they instituted their action: they have brought an action for a joint tort, and they have not got in their hands, at the time the action is brought, a judgment, of the Court of Consuls.

Sir J. Kemp:—They may say: We don't require that. Your argument, of course, may be perfectly sound,

but can it be clear that they cannot prove the law applicable to the Council, when the trial takes place?

Mr. Holborow:—Then his lordship asked: If all these "things" together—I have dealt with them singly—would form a ground for striking out the Statement of Claim. I submit that those grounds, when added together, show that the action is frivolous, vexatious, and an abuse of the Court's process. You have first to allege mala fides in your Statement of Claim. You have shown that there is nothing that might injure your reversion, and you come to Court alleging a fact which you cannot prove, except by getting a Judgment in the Court of Consuls, which you have not got, and which you have never indicated, in any way, that you intend to get.

Mr. Ward:—My learned friend is replying to evidence all the time. There is no evidence before this Court whether we have a Judgment, whether we are applying for one, or whether we have brought an action: he is limited to the facts set out in the Statement of Claim.

Mr. Holborow:—At the moment I am simply dealing with the questions which have been put to me by his lordship. Then his lordship went on to say the other point was different. You say that in order to prove the Council to be a joint tortfeasor, they would have to get a judgment from the Court of Foreign Consuls. That point I understand. There appears to be another possible point, however. Take the case of an ambassador—the French Ambassador—he does some act jointly with a British subject in England—an act which, prima facie, is a tort, and would be a tort in any ordinary person. Being an ambassador, he is withdrawn permanently from the jurisdiction of the English Court. Could you, or could you not, sue the other person—a British subject—as a joint tortfeasor with the ambassador—and so recover from him damages?

I answer that, briefly, by saying: that, if they sue the Englishman for the joint tort, and not for what he did himself—the ambassador having extraterritorial privileges, and not liable for a tort committed by him in England—they would have to give evidence in Court that the tort committed by the ambassador was a tort, according to French law.

Mr. Mossop:—In other words, the case is covered by Phillips & Lyne and the case of the "M. Moxon"?

Mr. Holborow:—Yes, that is the case I quoted, and then my learned friend got up and admitted that they had to prove the joint tort.

Sir J. Kemp:—Then there is the deceased joint tortfeasor—does that make any difference? He is, of course, permanently removed from the jurisdiction of the Court.

Mr. Holborow:—It seems to me in the case of a joint tort committed in England, it doesn't matter what their nationality is—by, say, two Englishmen, and one of the joint tortfeasors, die. He is, as his lordship says, permanently removed from the jurisdiction. Then an action is brought against the surviving tortfeasor, for a joint tort. In that case, I cannot find any authority—but it seems to me the position is this: In such a case he has taken on—cast on himself an extra burden—because he can't call the man who is dead, but if he proves without him that he did the act, and joined in the act, with the Defendant, when living, then I should say, in those circumstances, he would be entitled to claim for a joint tort, but I have been unable to find any authority on the point in the case of a joint tortfeasor dying. No question of foreign law there, of course, arises: it is just a question of a man having committed a tort in England, and one of them dies, and you sue the other—not for a single tort which he committed, but—for the joint tort. It may well be that that is not so, and that the man having died, and no right of action thereafter existing against his representatives because it is a tort, it might be that, by his death your remedy is taken away, and you might be compelled to sue the survivor for the tort by himself. It is only in an extreme case like this, that a joint tort is of such great importance, and I don't think any other case can be well suggested. A man is usually sued for the tort that he commits, but it may be that you want to sue the joint tortfeasor, and I am unable to say whether the death of the man would prevent your doing so or not. I think that deals with his lordship's questions on this point.

I would now like to deal with the question asked me by Mr. Justice Mossop, which was: I would like you to consider, how far, if at all, the provisions of Art. VI of our Order in Council have a bearing on this question of the joint torts, and

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the necessity of going to the Court of Consuls in the first instance. That, Article apparently contemplates the giving, by the Court of Consuls, of certain orders and decrees which this Court might have to enforce, and it may or may not, have some bearing.

I had, in fact, before his lordship, referred to that Article, given it some consideration myself. The effect of the Art. seems to me to be this: Art. VI says: "His Majesty's jurisdiction exercised in China, shall be exercised under, and according to, the provisions of this Order, and not otherwise." This 1925 Order in Council gives to His Majesty's Court here, exclusive jurisdiction over British subjects, but we find there is a Court of Consuls which, to some extent, has jurisdiction over British subjects, and, as it would seem that that jurisdiction, conferred directly with the exclusive jurisdiction given by the order in Council over British subjects, some provision had to be made by which the jurisdiction of the Court of Consuls was recognised, and it was therefore provided, in sub-sec. II of Art. VI that the jurisdiction: "Of the said Court i.e. the Court of Consuls, shall not, so far as persons subject to this order are concerned, be deemed to conflict with this Article" i.e. the Article which gives this Court jurisdiction over British subjects in China, and it goes on to say that His Majesty's Court in China "shall enforce on all persons, subject to its jurisdiction, the orders and decrees of such Court of Consuls." Therefore, this Court has no power whatever to question a judgment of the Court of Consuls: they are enforced automatically, in this sense, that if an action is brought by a British subject in the Court of Consuls, and the Court of Consuls orders him to pay the costs, one would go to the Registry and issue a writ of execution, if he refused to pay. It recognises that the Court of Consuls is a peculiar Court, and not like the other Courts administering Justice here. That, my lord, is the answer, which I make to your lordship in reply to the question you put to me.

Mr. Mossop:—You gave the instance of a British subject who goes to the Court of Consuls and gets costs given against him. Take another example; the Court of Consuls issues an injunction, shall we say, against the Municipal Council, ordering them to refrain from building a bridge, or a structure, on somebody's land. Individual members, and their servants—being British subjects—then go on, in defiance of such Order, carry on the work. Would the effect of this Article not be that this Court is bound to enforce the Order, previously made by the Court of Consuls, as against those members of the Council?

Mr. Holborow:—Yes, it must be so, I submit, because it says: "The Court i.e. the Court, shall enforce, on all persons subject to its jurisdiction, the Orders and decrees of such Court of Consuls. There is no power given to this Court—no power at all—to question the judgments of the Court of Consuls. It says, in the words of the Order in Council, that: "This Court shall enforce etc."

Mr. Holborow then proceeded to cite many further legal authorities, and, in concluding his arguments said:—"There is just one thing which I might refer to, and that is, that it was stated by my learned friend, Mr. Reader Harris, in the Court below, that they had very good reasons for not going to the Court of Consuls: that there was no appeal from that Court: that they could not have a Jury in that Court, and that the Court of Consuls was not unbiased in this matter. My lords, that seems to be the motive which directed the Plaintiffs into this Court against these Defendants. In other words, they say to the Council, "I know you did the act, but I cannot get justice in your Court, so I will sue one of your members in this Court and so force you to pay." That would seem to be a very fair and reasonable deduction to be drawn from the reasons why this action is not brought in the Court of Consuls.

Before I sit down, if I may be permitted to do so, should like to express my great appreciation of the consideration which the Court individually, has shown me during my argument.

Mr. McNeill, briefly followed on the same side, and said:—

The first point I want to deal with is on a case which was quoted by my learned friend, Mr. Lipson Ward, in order to support a contention that the ordinary rule that there is no justification for the tort of servant that he committed it at the order of his master, is equally applicable to a public officer. My lords, to support that contention,

he quoted the case of *Mill v. Hawker*, L.R. 10 Ex. 92, but I venture to submit that there is, in fact, a clear distinction between that case and the present case.

The relevant Statute in respect of that action, was the Highway Act, XXVI & XXVII Vict. Ch. 61. Your lordships note, that it was a question whether the surveyor was absolved by reason of the fact that he was ordered to do an act by the Public Authority employing him. The Court was divided, two Judges, being in favour of the contention that he was not absolved, and one Judge deciding that he was absolved. The distinction I have to draw, is this: that if your lordships will look at Sec. IX sub-sec. VI of that Act, which is quoted in the Head Note of the case, your lordships will find that the clause—the "absolute clause" if I may call it so—which is roughly equivalent to our Art. XXVI—only applies to the members of the public body concerned. My lords, there is not in that Act, any clause absolving the surveyor who was there concerned from liability for any act he did in pursuance of the Act. (Here Mr. McNeill cited authority for his contention.)

In that judgment which I have just cited, the learned Judge, pursuing his argument shows that by the sections which appoint a surveyor, there is nothing to alter that fundamental rule. My lords, our contention here is, that there being a clause viz: Art XXVI, which absolves a public officer under certain circumstances, if, acting bona fide, the ordinary rule of master and servant does not apply, where they obey an order of the corporate body which employed them, and which is, as my learned leader has already pointed out, prima facie, acting bona fide, and I think some weight should be given to that distinction, in view of the terms of the judgment in *Hardwick v. Moss* 31 L. J. Ex. 205.

The next point I have to deal with is the submission of my learned friend, Mr. Lipson Ward, that the class of cases, dealing with the Statute of Limitations, were irrelevant on the issue of Pleading. My submission, on the contrary, will be that they are relevant to our argument. If I understood my learned friend rightly, his argument was that the Statute of Limitations, so far as it related to land, created an exception, and that the Defendant, as my learned leader has already pointed out, in actions for Recovery of Land, what the Defendant does, is to plead possession, and that is equivalent to raising the Statute, because there is an assumption at law that the person in possession is, prima facie, the owner. My lords, the Statute of Limitations so far as it relates to Land, not only bars the remedy, but it also extinguishes the title, after a certain lapse of time. That is to say, that if a Plaintiff sues, after being out of possession for more than so many years, the position is, not that he has a cause of action, and he may not sue, but that he has no cause of action at all.

So far as it relates to debt the Plaintiff may have a cause of action, and may plead facts which, if the Statute of Limitations is raised, may defeat his claim. If, in the case of land, he pleads facts which show that, in fact, he has no cause of action at all, his claim must be defeated, and it will be thrown out on the terms expressed in *Lawrence v. Norreys* L. R. 15 A. C. 210, unless he pleads something further which has the power to revive his cause of action.

I submit there is a relevance in that class of cases to the Appeal which is at present before your lordships—to the Statement of Claim which we are considering, in view of our contention, which is, that having pleaded certain matter, in view of the special nature of the Act concerned, that Act is raised. Our submission is that the Plaintiffs have shown that they have no cause of action. My lords, I might instance another kind of action, although the position is reversed and that is an action by an assignee of debt. He has no cause of action at all, but he has a cause of action at Statute, but, in order to enable him to sue at all, he must plead facts which bring him out of the Statute. I do not wish to repeat matters which have already been raised, and I am only dealing with cases upon that clause of that Statute relating to Recovery of Land, which I say are relevant.

The third and last point with which I am going to deal, is perhaps a more difficult one. I am going to try and draw a distinction between the case of *Bell v. Midland Railway Coy.*, 1881 30 L. J. C. P. 273, upon which considerable reliance by the Appellants is placed, a distinction

between that case and the present one.

Mr. McNeill here entered into abstruse arguments on points of law quoting cases and gave various illustrations, at the conclusion of which the case for the Respondents was closed.

Mr. Lipson Ward in replying to the arguments of the Appellants, said:—

Might I try to bring us back to earth for one moment. I have listened with admiration to an extremely able and exhaustive argument, on the part of my learned friend Mr. Holborow, but I would point out now, as I pointed out when I opened the appeal, that this is an appeal from an interlocutory judgment. It is a judgment given on matters only to be decided, if those matters are so plain and obvious, as not to admit of serious argument.

We are now nearing the end of the sixth day of this Appeal, and I don't suppose that your lordships would say that the arguments that had been addressed to your lordships by all Counsel, have not been very serious arguments. There are obviously very serious questions of law, that admit of very careful, lengthy, and reasoned argument on both sides, and that being the case, it was not open to the learned Chief Judge to decide them in Chambers.

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Mr. Lipson Ward said: "My lords, I have never in my experience listened to a picking of pieces of a statement of claim in this way. I have never heard it suggested that you can strike out a statement of claim, because it doesn't follow word for word some declaration in an old case. My lords, isn't the position this, that if you want to strike out a statement of claim, as disclosing no cause of action, you have got to be able to say to the Judge: Look at this for a moment? Where do you find any cause of action here? But the moment you get a case admissible to any sort of serious argument on any sort of question of law, then this matter cannot be decided under the procedure in which this was decided."

"This case is no different from any other case where there are three joint tort-feasors. It is open to the plaintiff to sue any one, or more: it doesn't matter at all what his reasons are as to why he chooses A. and B. and not C. C. may be a friend of his, or he may want to ruin A. and B. It doesn't matter in the slightest. The moment a man has a cause of action, he can bring it, and it is no reason for staying proceedings to allege any kind of improper motive on his part."

Now, my lords, you have this factor: that this is the only Court which has jurisdiction over the two defendants. If the plaintiffs are denied a right of action in this Court, there is no other Court they can go to, if they wish to get a judgment against these two defendants. Now, my learned friend goes further than that: He says it is an abuse of the process of the Court, because the plaintiff must sue the Council in the Court of Consuls. Let me look where that takes us to. His argument is based entirely on an apparent faith that, if the Council are sued in the Court of Consuls, the judgment in that Court will be favourable to the Council.

Mr. Holborow: That is not my argument at all.

Mr. Ward: No, but it is based on it—it is an unconscious basing. Take the converse case: a plaintiff sues the Council and two persons who are entire strangers to the Council—they are not employed by the Council—they are not the servants of the Council at all. They happen to be two British subjects, and he accuses them of joint wrong with the Council. The two British subjects have in mind a fear that, if the Council are sued in the Court of Consuls, judgment will go against the Council. Now, they are not parties to the proceedings in the Court of Consuls at all. If my learned friend is right in his submission, the plaintiff must sue the Council in the Court of Consuls, in such a case. He gets judgment against them—the Council—in the Court of Consuls, in a proceeding in which these two defendants aren't allowed to say a word. They are then sued in this Court, and my learned friend seriously suggests to your lordships that, being sued in this Court, they would have absolutely no defence to the action at all, because of the judgment which had been given in the Court of Consuls against the joint tort-feasors.

Mr. Holborow: I never suggested anything of the kind at all. I am very sorry to interrupt, but I said—and my learned friend, Mr. Ward, admitted it—that he has to establish that the Council are a joint tort-feasor, and then he has to show that we ourselves are tort-feasors with the Council. That is quite another thing: he may be able to establish the one, but it doesn't follow he can establish the other.

Mr. Ward: My learned friend cannot get away with it. One of his arguments is that we cannot proceed before we produce a judgment of the Court of Consuls i.e. the plaintiff in the action that I am putting to your lordships is, that he must, before he proceeds against these two British subjects, who have nothing to do with the Council at all, to be charged with a joint tort—he must get a judgment of the Court of Consuls first, and that this Court is bound by that judgment in the action that is brought, subsequently, against these two British subjects, who have nothing to do with the Council at all.

Mr. Holborow: That is right. Mr. Ward: Now, my lords, just look at the absurdity of it. The question at issue being whether the Council is a joint tort-feasor, so as to make the two defendants in the British Court action responsible for the whole of the damages resulting from the tortious action, that fact must be decided, according to my learned friend, by the Court of Consuls. It is decided against the Council—they are held to have done a wrong. The action is brought against the two British subjects. They cannot raise that issue in this Court at all, if my learned friend is correct. In other words, they are bound by a decision of the Court of Consuls on a vital point in an action that is brought against them, in the only Court which has jurisdiction over them—bound by a decision on a point, in respect of which they haven't been allowed to say a single word!

Sir Peter Grain: Do you go so far, Mr. Ward, as to say that supposing this case came before the Court of Consuls, and they found that certain persons had acted within their powers, that this Court could try a similar case and say they were not acting within their powers?

Mr. Ward: Certainly, my lord, I do.

Mr. Justice Mossop: If you have a joint-tort between an American citizen and a British subject, and the American citizen was taken to his Court and proved to have committed an actionable wrong: then you go for the British subject in the British Court, and being a joint tort, and assuming that the rule of double wrongfulness requires you to prove it was also a tort by American law—the British subject has nothing to say in the American Court, has he?

Mr. Ward: Of course not, my lord.

Mr. Justice Mossop: Well, Mr. Holborow's point was that as you cannot ascertain that law in the Court of Consuls, you must get your judgment first: wasn't that his reason for suggesting that?

Mr. Ward: That was one of my reasons, my lord, but I am only pointing out to your lordships now, on the point as to whether this action is an abuse of the process of the Court. I am not dealing now with the point as to whether you must go to the Court of Consuls: I am only dealing whether, it is obvious on the statement of claim, that this is an abuse of the process of the Court. In other words, it is just as if it were to be said in the case of the British subject, sued in England in respect of the joint tort committed by him with an American subject in America, that the action in England is not maintainable against the Englishman in England, until the plaintiff has gone to America and got a judgment against the American citizen. That is what the submission amounts to, on the question of whether this is an abuse of the process of the Court.

My friend's case is that it is an abuse because you haven't chosen to sue one of the joint tort-feasors. I say it would be just as sound—if that argument is sound—to say that it is an abuse of the process of the Court, if you sued your English tort-feasor in England, without first going to America to get your judgment against the American tort-feasor, who is in America.

Sir J. Kemp: Does that follow? You can prove American law by expert evidence.

Mr. Ward: I am not on that question now: I am on the question of whether it is an abuse of the process of the Court.

Sir J. Kemp: Whether you are on that point or not, I cannot follow you when you say that the two cases are analogous.

Mr. Ward: They are analogous in this way: You cannot, in order

to see whether an action is an abuse of the Court or not, by merely looking at the statement of claim, say: Oh, when you go to trial, the plaintiff may not be able to prove his case. Assume, for the moment, that the only way of proving, in this case, that the Council is a tort-feasor, is to produce a judgment of the Court of Consuls: it doesn't lie in my friend's mouth to say—and there is no evidence of it—at this stage of the proceedings: Oh, you won't be able to prove your case at the trial, because you haven't done something now. That is not a ground on which to base an allegation that an action is an abuse of the process of the Court.

Sir J. Kemp: Did he use that as an argument on that point?

Mr. Ward: His whole argument is based on that because he goes on to say, that not only must you do it but he is entitled to draw some inference against the motives of the plaintiff, because he says the plaintiff has not done it. What I am suggesting to your lordships is that you know nothing about what is in the plaintiff's mind. You cannot jump to any conclusion simply because my learned friend says: Oh, at the moment, I believe, he hasn't taken a step which it will be necessary for him to take, and to show he has taken, otherwise he won't succeed.

Sir Peter Grain: You mean you might have a judgment in your favour from the Court of Consuls in your pocket?

Mr. Ward: My lord, I know nothing about it: your lordships know nothing about it, and my learned friends know nothing about it, insofar as this Appeal is concerned—nothing. Now he goes on to suggest it is an abuse of the process of the Court, because he dealt with the two poor servants instead of going to the rich master! My lords, we are at liberty to do so, if we wish, and moreover, your lordships have no knowledge as to the comparative affluence of the Council, the Chairman, or Captain Martin—you have no judicial knowledge of it at all, and it is merely because this is the Shanghai Municipal Council, that this suggestion can be made. If it were a limited company, charged with a joint tort, it would be no argument on which to base a suggestion that the action is an abuse of the process of the Court to say: Oh, you haven't chosen to sue the rich company, you have chosen the other people. Take it the whole way—let my learned friend have it for the moment. Assume that the plaintiff in this action is suing these two defendants, believing he will get judgment against them, and hoping that the Council will pay that judgment! That, again, is no abuse of the process of the Court. If you have a cause of action, and you bring it in the only Court that has jurisdiction to try it, it cannot be an abuse of the process of the Court, because you haven't sued somebody else, who may be liable in some other Court. It may be foolish of you to do it, but would it be any answer to an action brought against a chauffeur for negligently driving a motor car—the chauffeur of one nationality—let it appear that his master had given him directions to do what he did? Would it be any answer to an action of that kind, to say: It is an abuse of the process of the Court, because you have chosen to sue the chauffeur and not the master?

My lords, I want to emphasise upon your lordships, the very peculiar nature of the facts of the case, as pleaded in the statement of claim. I think I am right in suggesting to your lordships, that this is an unique case, and it could hardly have arisen anywhere else in the world except Shanghai. The facts as pleaded, leaving out the purely formal part of the pleading, are, that this very plaintiff came into being with the approval of one of the joint tort-feasors, for the express purpose of carrying on this particular business of dog racing. Paragraph 2 shows the actual purpose, and that the Council approved the leasing of land by the plaintiff and then, my lords, you have paragraph 4 of the statement of claim, where you find the allegation that the plaintiff actually did lease land, and has spent very large sums of money for the purpose of carrying out the very object for which it came into existence, with the approval of one of these joint tort-feasors.

Then, my lords, you get paragraph 5, where you get the subsidies to the Club, and again it is peculiar, in that the Club is not to pay any rent: it has merely to pay the whole of its net receipts, and its subscriptions, to the plaintiff.

Then my lords, the plaintiff, having come into existence for this

particular purpose, with the approval of one of the joint tort-feasors, that joint tort-feasor went on specifically—as alleged in paragraph 9—to license the child of the plaintiff—the Club, which it also had approved—to carry on this very business.

Then, my lords, in paragraph 6, to go back again, you find the allegation there there not only was there approval by this joint tort-feasor but there was actual assistance rendered by the joint tort-feasor for the purpose of carrying out this particular object, because the allegation is that this particular joint tort-feasor "made up and improved a road abutting" on the premises, which had been leased by the plaintiff, for the use of the persons attending thereat and they went further than that, they actually leased a piece of their land—this joint tort-feasor—to the plaintiff, which was used in fact, as an entrance, to these premises, and, my lords, just pausing there again for a moment. What, in effect, this joint tort-feasor has done, is to derogate from his own grant—it has actually leased land to this plaintiff—has actually induced this plaintiff to expend large sums of money, and having done all this, for some reason best known to itself—there is no legal justification shown for the moment: there is no pleading upon which that can be supported—it goes and destroys the very structure which, not only has it approved of, but which it has itself assisted in erecting. Now, my lords, could any-body say that those facts are immaterial to be brought to a notice of a court of law, when this action went to trial?

Now, my lords, you get paragraph 10, which is an attempt by this tort-feasor, to limit, in some way, the approval that it has already given. Then, my lords, you get paragraph 11, which pleads, what I might call, "a bolt from the blue." For some reason or other, the Municipal Council decide that they will not permit this business, which they had actually assisted in creating, to go on any longer. Now, my lords, if it was an illegal business, it could be stopped by legal means. At the moment, there is no defence before your lordships to suggest that it is an illegal business, and there is nothing before your lordships to suggest that the action taken by the Council—one of the joint tort-feasors in this case,—was legally justified in the slightest degree.

And then, my friend introduces the proposition, which nobody can dispute, that the action is not actionable. I entirely agree, and if the matter had stayed there, with the threat, of course, no proceedings could have been taken at all.

Then, my lords, you get to paragraph 13, which has been read and re-read, and picked to pieces in this way, and in that, and I must say that I feel inclined to congratulate my friend, Mr. Harris, on being the author of a paragraph which can give to all of us such an excellent opportunity for controversy.

The moment that you get intention material, time cannot be a question of law, because is a judge to say to the jury, as a matter of law: I direct you that, as this obstruction only lasted an hour, you must find for the defendants—only lasted an hour—you must find for the defendants? One has only to state a proposition like that, to see how unsupportable it is. If the obstruction, or the injury is one, which may, by possibility, cause damage to the reversion, then it is for the Jury to say, whether, in fact, it did.

Now, my lords, I was referring to Bell v. Midland Railway Co. in support of this proposition: also that the fact that the injury comes to an end before the reversion falls in, does not prevent the reversioner bringing his action, if, in fact, he can show that his reversion has been injured.

Now, my lords, my friend—I don't know whether he relied on it—do any great extent referred to the fact that we might have applied for an injunction. My lords, it does not lie in the mouth of a wrong doer to say that you might have taken some other remedy.

Mr. Justice Mouslop:—There was just the one other point which was taken by Mr. Holborow, that the wrongful act, was one, which, on the pleadings, could not last longer on the tenancy, I am putting it in my own words—for the reasons that it was a stopping of racing by a Club, and that the moment the tenancy had ceased, there would be no further injury.

Mr. Ward: The answer is, if your lordships look at the actual pleading, the words are: "Prevented and kept prevented the plaintiffs and or the members of the Club from entering upon the said Luna Park or

using the same for the purposes aforesaid." That might extend beyond the tenancy.

Mr. Justice Mouslop: But Mr. Holborow pointed out, that on the pleadings, the only people entitled to dog races are the Club.

Mr. Ward: I don't agree: there is nothing to prevent, at the end of these leases the plaintiffs from dog racing on their premises.

Mr. Justice Mouslop: That is not shown on the face of the claim?

Mr. Ward: Why not?

Mr. Justice Mouslop: Do you not plead that the Club obtained a licence to do so?

Mr. Ward: I don't admit that it was necessary for the Club to obtain a licence to do so. I merely plead the facts, not only did they obtain a licence, but that the Council did licence.

Mr. Justice Mouslop: Why do you plead it at all if it was unnecessary?

Mr. Ward: It is all history, and for the purpose of damage when you go to the jury. There is no pleading here—you are dealing with the statement of claim—that any licence issued has been broken: there is no pleading that it is necessary to have a licence at all. We asked for an approval, which was granted, and the licence was granted to the Club. There is no suggestion on the pleadings that, at the time this act was done, there was any licence in force at all. We don't know what the licence was: we know nothing about this licence at all, outside of your lordships' knowledge as a member of the public.

Mr. Justice Mouslop: I am confiding my knowledge to the pleadings, of course.

Mr. Ward: As a member of the court you don't know anything about this licence: it is all part of the formal Pleading, that is all, but my lord, is not that point answered by Bell v. Midland Railway Co.

My lords, my friend contended that it was impossible for the plaintiffs by their pleadings to contend that the Council was one of the alleged tort-feasors, because before the plaintiff alleged that he, the plaintiff, would have to obtain, and I gather plead, a judgment of the Court of Consuls, to that effect. Now, my lords, there is a further and more conclusive answer still to the argument, and it is this: The Court of Consuls is a Court created by the Land Regulations, and the Land Regulations, according to the defendants themselves, are Regulations which have the force of an English Statute, as far as British subjects are concerned. Therefore, when you have to consider, in a British Court, what is the law governing the Shanghai Municipal Council, you have the whole body of the law governing it embodied in what is equivalent to an English Statute, and in my submission, it is perfectly competent for this Court to look at these Regulations, which are equivalent to an English Statute and to interpret them.

This Land Regulation 28 was never meant to permit the Council to make any sort of Regulation it liked as regards private individuals, and take away from the private individual the right, when proceeded against in the Court, having jurisdiction over them, of saying: This Regulation that you have made, has nothing to do with the powers that you have got, under the Land Regulations.

Just think what it would mean! Here is a great city, and there is power in the Municipal Council to make Regulations under this bye-law and that bye-law, with respect to Government in this city. There must be, from time to time, many questions arising as to whether the Regulations made by the Council are within its powers. Has that question always got to be submitted to the "Foreign Consuls . . . up to the Supreme Chinese Government at Peking"? You must consider the meaning of Land Regulation 28 with the assumption in your minds that the Municipal Council is not a beneficent body which can never make a mistake: you have to conceive a case where bye-laws are passed, and Regulations made, which might be very oppressive indeed to the individual. The construction of my learned friend puts into the hands of the Council, a power that is almost supreme. It can do anything it likes: it can propose regulations which can make a British subject liable to heavy penalties.

Mr. Justice Mouslop: How? Not under Regulation 11.

Mr. Ward: The Land Regulations provide for penalties for offences that are punishable.

Mr. Justice Mouslop: Yes, but Land Regulations doesn't give the Municipal Council power to legislate by itself. It has to go to a

Ratepayers' meeting, and to the higher powers before the bye-law becomes effective.

Mr. Ward: I am talking about regulations: Rakusen's case was a Regulation.

Mr. Justice Mouslop: But that confines to traffic.

Mr. Ward: But who is to decide that? You have the very same difficulty as regards a Regulation made under bye-laws if that construction is right. All the Council has to say is: We made that regulation under our bye-laws, and if it is a question of our powers this Court can't even consider it. My lords, you can conceive all kinds of ridiculous traffic Regulations, or any other kind of regulations, which fall within the ambit of the Land Regulations and the Bye-laws, and there would be no redress whatsoever for a private individual, except through the "Foreign Consuls . . . at Peking."

During the course of his arguments, Mr. Ward dealt very exhaustively with the contentions of the respondents, citing numerous works of reference in support of his views, and at the conclusion he addressed the following request to the Court: "I ask your lordships, with a view to saving an immense amount of expense, definitely to decide at this stage of these proceedings, what are, I submit, the two really serious points of law viz.,

1.—Whether it is necessary for the plaintiff to allege in specific terms in the statement of claim that the defendants did not act bona fide in what they did? and

2.—Whether the jurisdiction of this Court is ousted by Land Regulation 28?

After some argument, it was decided that the respective counsel could submit a written memorandum on the subject in agreed terms to their lordships, and with that the Court rose, and the proceedings terminated, judgment being reserved.

Realty Company's Appeal

The appeal of the Chun Nieh Realty Investment Company v. H.J. Clark was on Oct. 10 heard in H.B.M. Supreme Court by the Full Court of Appeal, composed of Judge Sir Peter Grain (Presiding), Sir Joseph Kemp (Chief Justice of the Hongkong Supreme Court), and Mr. A. G. Mossop (Crown Advocate), and, after the hearing of arguments by counsel, judgment was reserved.

Mr. John McNeill appeared on behalf of the appellants, while the respondent was represented by Mr. Tycho Wing.

A preliminary objection, reserved by the Full Court from a previous day, taken by Mr. Wing that the appellants were out of time in filing their notice of motion of appeal, and in not filing two copies of the order or judgment appealed from, and that in consequence the appeal should be dismissed, was disposed of by their lordships yesterday. While recognising the validity and cogency of the objections of Mr. Wing, their lordships recognised the bona fide mistake of the appellants, and exercised their discretion in their favour, and allowed the appeal to proceed.

The appeal was brought against a decision of the learned Chief Judge (Sir Peter Grain) given in the Court below against the appellant-plaintiffs, dismissing their action upon the ground that the Court had no jurisdiction to entertain the same, as it was an action in respect to title to foreign land.

The plaintiff's claim was for a declaration that they were the beneficial owners to a piece of land known as French Consular lot 1095, and they also asked for a declaration that the defendant has no beneficial or other interest in the said piece of land. An injunction was also claimed to restrain the defendant from objecting to the plaintiff's title to the land.

Mr. McNeill, in opening the case for the appellants said: "My lords, the learned Chief Judge dismissed our action, holding that English Courts have no jurisdiction to entertain an action in which a dispute as to title to land is directly involved. My lords, there is one plain answer to that point, and it is that the land concerned in this action is not, so far as this Court is concerned, foreign land at all."

"The jurisdiction of this Court is derived through the Treaty of Tientsin, Foreign Jurisdiction Acts 1890 and 1913 and of the Orders in Council made thereunder and my submission will be that the jurisdiction exercised by this Court is exercising a part of the jurisdiction of the Republic of China—that it is not, strictly speaking, an English Court at all. My lords, under Art. V of

the Order in Council 1925, it is stated that "the jurisdiction conferred by this Order, extends to the persons and matters following etc." and then it goes on to specify the various matters. I also direct your lordships attention to Rule 205 of the same Order:

Where a foreigner desires to institute or take, in the Court an action against a British subject, or a British subject desires to institute or take in the Court an action against a foreigner, the Court shall entertain the same, and the action shall be heard and determined either by the Judge sitting alone or, if all parties consent, or the Court so directs, with a jury or assessors, but in all other respects according to the ordinary procedure of the Court.

"Sub-seq. II provides that the foreigner suing 'if so required by the Court . . . shall give security to the satisfaction of the Court.'"

"Now my lords, so far as this appellant is concerned, he is such a position that the Court shall entertain an action brought by him, and the only case that I need to refer your lordships to is the case of The Secretary of State for Foreign Affairs v. Charlesworth, Pilling & Co. 1901 A.C. p. 373."

Here counsel quoted extensively from same, citing various passages in support of his arguments.

"Now, my lords, that is the only case which I find it necessary to quote to your lordships at this moment, to support my contention that this land is Chinese land, and—it doesn't matter to whom it belongs—it remains Chinese land: that this Court in exercising its jurisdiction, is exercising a part of the jurisdiction of the Republic of China, and that therefore, strictly, this is not an English Court, and quite certainly the land concerned in this action is not foreign land, so far as this Court is concerned."

Mr. Wing, in replying said: "This is only part of other litigation, and this is a claim brought by people who seek to be Chinese nationals against the defendant—a British subject—asking for declarations and injunctions, and that sort of thing. Now, the land in question is no doubt situated in China: it is land also registered in the name of a British limited liability company, who are trustees, and it is land which formed part of the estate of a Portuguese, now deceased, and has been and still is the subject of litigation in the local Portuguese Court."

"This land is also registered in the French Consulate, so that it is not merely a question of some issue between a British subject and Chinese nationals. I am inclined to doubt whether the Chinese authorities would concur in Mr. McNeill's statement that this is a Chinese Court, but even assuming that: Mr. McNeill has to go much further: he has to say this is a Portuguese Court also. How can this Court in this strange place—where there are so many different jurisdictions—make an order affecting the estate of a Portuguese which estate is, in fact at the time being administered by the Portuguese Court? Mr. McNeill would have to go so far as that, before he could say that your lordship was wrong in declining to accept jurisdiction. At the present moment, this estate is in the hands of the Portuguese Court: that again is recognised by the French Consulate, who at the moment have refused to register any such transfer as is sought for by the present plaintiffs, and it is not possible, I submit, for this Court to interfere with what those other Courts, presumably with equal jurisdiction, are doing with property, either nationals, or property registered in their own consulate."

"The only Chinese element in this case is the fact that the land is actually situate in China, and that the present plaintiffs are Chinese, yet it is now suggested that your lordships should look upon yourselves as a Chinese Court. I say not all the elements existing in this case are Chinese. There is the situation of the land of course, but you have an English defendant: a Portuguese estate registered in the French Consulate, and I venture to submit that your lordships would indeed be disturbing a home's nest if you did take jurisdiction under such circumstances. I submit the judgment appealed against is perfectly right, and should be upheld."

Mr. McNeill: "My lords, the action in the Portuguese Court is not an action to declare that the vendors to my clients were not the owners, but it was an action to set aside on grounds of fraud a sale from one of three brothers to two other brothers."

After some further legal arguments, their lordships reserved judgment, and the Court rose.

H.M. SUPREME COURT

Claim on Hardoon Estate

A statement of claim in connection with the estates of the late Mr. S. A. Hardoon, valued at \$150,000,000, will be made within three weeks, it was intimated by the counsel of Mr. Ezra Abdullah Hardoon following a successful application for pleadings made in the H. M. Supreme Court on October 5.

Mr. Ezra Abdullah Hardoon, brother of the late Mr. Hardoon, petitioned for a revocation of the will of the deceased, and named Mrs. Eliza Hardoon, widow of deceased, as defendant in the case.

Mr. M. Reader Harris, of Platt, White-Cooper and Co., represented the petitioner. Mr. A. C. Holborow, of Messrs. Hansons, who appeared for Mrs. Hardoon, raised no objection to the application made before Judge Sir Peter Grain in H. M. Supreme Court.

Local Rent Suit

Mr. W. H. Spencer who has possession of a shop premises at 322 Avenue du Roi Albert was ordered to vacate the building within fourteen days by the Judge, Sir Peter Grain, in H. M. Supreme Court yesterday morning.

Mr. E. L. Hartopp, who acted on behalf of the National Commercial Bank Ltd., stated defendant had failed to pay rent for the premises for the past two months, the sum claimed being \$250. He also stated that his clients did not desire Spencer to retain the premises and asked the court for an eviction order.

Defendant, on oath, told the court that since last February he had been seriously ill and owing to that fact and trade depression, he had been unable to keep up the payments, Spencer went on to say that two Chinese owed him Tls. 3,800 which he was unable to obtain despite numerous applications at the District Court.

Judgment was given as above stated.

H. M. POLICE COURT

Hard Labour for J. M. Compton

Joseph Michael Compton of Carter Road, who was brought up on remand before the Registrar (Mr. C. H. Haines) on October 8 on a charge of stealing a wallet containing \$290, the property of Mr. C. W. Cunningham, was sentenced to one month's imprisonment with hard labour.

When asked by the Registrar whether he realised the seriousness of the offence and that he was liable to be sent to prison, Compton, who is only 16 years of age, said "I don't see why you fellows should let me off anything." His manner caused the Registrar to adjourn the court for a few minutes in order to ascertain if it were possible to have the youth birched. Finding that accused was a little too old for birching, he ordered the \$10.40 found on Compton at the time of the arrest to be returned to Mr. Cunningham and pronounced sentenced as stated.

Inquest on Miss Edgar

The inquest on Miss Thora Leroy Edgar, who died as a result of injuries received when riding in a risha, on September 28, was resumed before the Registrar (Mr. C. H. Haines) in H. M. Police Court on October 8.

A chauffeur stated that he was an employee of the Ford Hire Service and was driving a passenger at 2 a.m. on September 28 along Nanking Road, when he observed a risha about 60 feet in front of him and well out in the centre of the road. He sounded his horn and when near the risha the latter swerved in towards the side. Even though he put on his brakes he could not avoid a collision. The lady, he said, was on the ground when he got out of the car and did not speak or move whilst he was lifting her. According to his story, the risha was near his left wheel towards the shafts pointing diagonally towards the rear side of the road. He also corroborated a Chinese constable's statement about the refusal of admittance by the Lester Chinese Hospital.

The statement from the risha coolie went to the effect that he had come out of Fokien Road into Nanking Road and was proceeding west when his vehicle was struck from behind by a motor car which pitched the lady and him on their faces. Miss Edgar did not move after being struck and appeared dead.

Mr. Knud Olthe, Danish Traffic Superintendent of the Shanghai Telephone Company, was the only witness who appeared in the concluding hearing of the inquest yesterday morning. He said that the late Miss Edgar was on the staff of the Central Information Bureau, on Fokien Road and that she was on duty between 8 p.m. to 2 a.m. between September 27 and 28.

As a supervisor in the Bureau, the late Miss Edgar could make use of the resting room, where two beds are supplied Mr. Olthe continued. It appears that she left the office immediately after she was off duty, and proceeded westward in a ricksha.

Questioned as to the accommodation in the room, Mr. Olthe said that though the bed linen were not changed daily, fresh ones would be provided for whenever asked. He said that the room was for the exclusive use of the foreign superintendents, who can stay there if they so desire.

Commenting on the accommodation of the room, Mr. Haines said that arrangements should be made more attractive for the superintendents to stay there when they are off duty, is that they would not wander about in town in the early hours in the morning. A verdict of death caused by a street accident was returned: the coroner refrained from fixing responsibility on to either party as the chauffeur is being tried in the Chinese court, judgment in connection with which will be handed down soon.

KIANGSU HIGH COURT

Extradition of Chinese

Saying that the Chinese courts in the International Settlement should not be permitted to co-operate with the extra-Settlement authorities to such an extent as to violate the law and the Rendition Agreement, the Shanghai Municipal Council has, through its Municipal Advocate, Mr. R. T. Bryan, Jr., filed a petition of protest with the Second Branch Kiangsu High Court against a ruling delivered by the Court on October 3 by which a Chinese named Moh Tsung-koo was to be handed over to the Greater Shanghai Bureau of Public Safety, although the latter failed to establish a prima facie case as required in accordance with the Rendition Agreement.

The facts of the case are that accused was brought before Judge Feng, in the First Special District Court, to hear an application by the Greater Shanghai Bureau of Public Safety for his extradition to the Chinese territory. Accused was remanded to enable the Public Safety Bureau to produce prima facie evidence against him. On May 13, accused was again brought before the Court and remanded again to enable the Public Safety Bureau to produce evidence. After that, accused was brought before the Court on two more occasions, but the Public Safety Bureau failed to produce any evidence against him. In spite of this, the Court ordered on July 13 that accused be handed over to the Public Safety Bureau through the latter's representative.

The Council filed its protest with the Second Branch Kiangsu High Court against the decision because a prima facie case had not been established as was required by law. The Court, however, dismissed the Council's protest, whereupon the Council filed its present petition of protest.

In its petition, the Council draws the High Court's attention to an order issued by the Judicial Yuan on July 27, 1931, saying that when a law and a treaty or agreement come into conflict the treaty or agreement should prevail and take precedence over the law. This order further says that this principle cannot be questioned when the treaty or agreement is approved on or after the date of the promulgation of the law.

The judges of the High Court, in giving their ruling in the Moh Tsung-koo case, relied on the Code of Criminal Procedure the petition says. However, the Code of Criminal Procedure was promulgated on July 28, 1928 and the Rendition Agreement, which stipulates that no Chinese should be handed over to extra-Settlement authorities unless prima facie evidence against him or her is produced, was signed on February 17, 1930 so the latter must take precedence over the Code of Criminal Procedure.

Continuing, the petition says that while the various courts, in dealing with litigation matters, should render mutual assistance, the courts must not do so to such an extent as to violate the law or the Rendition Agreement. Further, the petition says, the Greater Shanghai Bureau of Public Safety is not a law court and, therefore,

the courts in the Settlement are not obligated to render them any assistance. Certainly, the court in the International Settlement must not render assistance to the Public Safety Bureau when such assistance impinges upon the Rendition Agreement, says the petition.

In conclusion, the petition asks that the ruling of the Second Branch Kiangsu High Court in the Moh Tsung-koo case be reversed and that the Court to decide the appeal of the Council upon its merits.

SPECIAL DISTRICT COURT

Double Murder Case

After working for many days, detectives attached to the Wayside Police Station succeeded in taking into custody one of the alleged perpetrators of the brutal and atrocious crime in an old foreign house at 196 East Seward Road where two Chinese women were found murdered on the night of September 19 by a Chinese constable. The constable discovered the murder after being called to the place to make investigation by a rice shop assistant living on the opposite side of the road who had seen a child crying at a window of deceased's room for a whole day without any one having come up to take him away. The arrested man admitted at the police station that he, together with three others not in custody, committed the crime. He was charged before Judge Woo in the First Special District Court on October 8.

Mr. T. Y. Chang, the Assistant Municipal Advocate, prosecuting, related the crime was committed by accused and his alleged accomplices. He stated that a white shirt having a mended pocket, which the detectives discovered in deceased's house, was instrumental in bringing about accused's arrest and the subsequent disclosure to the police of the story of the crime.

After the officers of the Wayside Police Station received the report of the double murder on the evening of September 19, counsel stated, Det-Insp. Thurgood, accompanied by several Chinese detectives, went to the house to investigate. Whilst in deceased's house, one of the Chinese detectives, Tsai Tse-tien, found a white shirt having a mended pocket which he recognized to be that of his private ricksha coolie. Ma Ah-need, the crime at the investigations, the detective returned home and questioned Ma about the shirt in question. Ma failed to produce it or give a satisfactory reply and this aroused the detective's suspicions. A search of Ma's quarters by the detective resulted in the discovery of a piece of blood-stained cloth which had been used by Ma as a belt prior to the murder. As Ma was strongly suspected of being concerned in the crime, the police took to the police station after a series of interrogations. Ma made a full confession of the crime and implicated three others.

Continuing, counsel told the Court that Ma admitted at the police station that he and the three others not in custody, after a series of meetings in a small wine shop on East Seward Road, went to 196 East Seward Road at 1 a.m. on September 19, carrying two knives and two electric torches. Ma climbed over a wall and got into a room where deceased, Tse Lu-sze, the maid-servant, lived. He opened the window of the room and his three accomplices also entered. There the three others entered the room and Ma set upon her and stabbed her twice with his knife, which resulted in fatal injuries to the woman. Meanwhile, the three other men entered the other room in which lived Kao Zau-sze who was also awakened. The three men asked the woman where she concealed her money and, when the latter refused to reply, she was stabbed to death. The robbers then gathered clothing, money, jewels, etc., to the total value of over \$1,000 and then fled.

Detectives having corroborated, the Court remanded the case sine die to enable the police to conduct further inquiries.

CERTIFICATES issued by the film censors will have to be submitted to the Bureau of Education three days before the screening of pictures already passed by the censorship board according to the new regulation published by the Bureau of the Chinese Municipality. It is reported that inspectors will also be delegated by the Bureau in the theatres in the Chinese territory to examine the certificates.

FOREIGN TELEGRAMS

GOVERNMENT READY TO FACE THE COUNTRY

Agreement Reached in Cabinet on Basis of National Programme

London, Oct. 6.

The House of Commons to-day passed the third reading of the Foodstuffs (Prevention of Exploitation) Bill, which will be disposed of by the House of Lords before Parliament rises.

The measure is designed to prevent profiteering in connection with the sale of foodstuffs in Great Britain during the present emergency period.

The Opposition urged that the penalties for offences should be very much heavier than those the Government proposed. The Government at first refused to make any alteration, but eventually a compromise was struck, as the result of which the maximum penalty will be three months' imprisonment or a fine of £500 or both, instead of the same period of imprisonment and a fine of £100 or both.

Under the provisions of the Bill the Board of Trade is empowered to prevent improper attempts to bring about a shortage of supplies of foodstuffs or unjustifiably to increase prices. In addition to being fined or imprisoned or both, offenders are also liable to have the merchandise concerned forfeited.

The Finance Bill received the Royal Assent yesterday evening. The National Government's programme for balancing the Budget is therefore completed. The drastic economy measures embodied in the Budget have already been put into force by means of the special procedure provided for under the National Economy Act.

The necessary enactments for meeting the country's financial crisis having been carried through, the next step is the appeal to the electorate at the end of this month in order to obtain the sanction of public opinion expressed at the polls for the continuance over a period of the policy of retrenchment initiated by Mr. Ramsay MacDonald's National Government.

The process of "formula-hunting" is at an end. As a result of a long drawn-out series of negotiations, Herbert Sampel and Lord Reading, Reuter was informed late last night, reached an agreement in the Cabinet with regard to the bulk of the Parliamentary Liberal party for an appeal to the electorate upon a National programme.

It was not until the early hours of this morning that the Cabinet dispersed, having unanimously voted in favour of a recommendation to His Majesty for the immediate dissolution of Parliament to be followed by a General Election on the basis of a "manifesto" to be issued by the Prime Minister. It is understood that the "manifesto" will give Mr. Ramsay MacDonald "a free hand" to adopt such measures (including tariffs) as are deemed necessary for placing the country upon a secure financial basis.

It appears to be certain that the Liberal Party will be ranged in fairly full force behind the National programme.

The fact that the Cabinet is unanimous is taken as sufficient indication that there will be no resignations from it as a result of the general election.

The Government's decision to hold a general election immediately has intensely relieved the public, which is generally agreed that an election is necessary and was the anxious and dismayed over the protracted indecision of the Cabinet, which was also causing the enthusiasm of its supporters to evaporate.

What arrangements will be made for Conservatives and Liberals not to contest the same seats have not yet been announced but the Liberals have achieved the seemingly impossible task of avoiding or deferring a party split.

The decision of Liberal members of the Cabinet, which was taken despite Mr. Lloyd George's irrecusable attitude on the question of tariffs, was probably influenced by a suggestion passed by 22 Liberals, headed by Sir John Simon, last evening pledging unconditional support for Mr. Ramsay MacDonald in his appeal to the country.

While the Press generally is chary in its comment, pending further information regarding the

Cabinet decision being available, the Conservative newspapers welcome the decision. The Liberal "News-Chronicle," however, says, "We are assured that no sacrifice of their views was required from either the Free Trade or Protectionist sections of the Cabinet. It is difficult without further information to comment usefully on the extraordinary situation which results."

In the House of Commons, this afternoon the Premier officially announced that Parliament will be prorogued to-morrow, that the date on which candidates must be nominated in all constituencies—which must be the eighth day after the date of the proclamation of the dissolution of Parliament—be the 10th, and that the polling day shall be the 27th, as provided in the Representation of the People Act. The new Parliament will meet on Tuesday, November 10. Arrangements have thus been made to reduce the delay incurred by a General Election to the minimum allowed by constitutional procedure.

One of the chief reasons for the decision reached by the Party leaders to have a General Election is to create confidence abroad by it, it is hoped, the emergence of a stable government backed by a loyal and undivided majority in Parliament and so able to deal properly with the economic and financial problems which confront Great Britain.

It now seems clear that the three parties which compose the National Government will be free to carry on their election campaign along Party lines and that the whole election will be left to the good sense of the nation to decide whether or no it will support a National Government.

Generally speaking the announcement that the period of uncertainty concerning an election has been ended has been received with general satisfaction. That of the Conservatives was demonstrated in unmistakable fashion this evening at a meeting of Conservative members of the House of Commons which was addressed by their Leader, Mr. Stanley Baldwin. Enthusiasm increased as the meeting continued, and a vote of confidence in Mr. Baldwin and the policy he is pursuing was eventually passed amid cheers and loud applause.

Despite the fact that he has been invited to stand by several other constituencies and the resolution which was recently passed at a meeting of the local Labour delegates—by a majority of one vote—disapproving his action in becoming the head of the National Government, Mr. Ramsay MacDonald will again contest his old constituency at Seaham Harbour, Durham, where in 1925 he was returned by a majority of nearly 29,000 votes. He has been nominated as a candidate and is assured of support, having received an extensively signed memorial from the Labour electors of Seaham inviting him to stand. When announcing his intention Mr. MacDonald said, "I remain a Labour member. I shall fight as a Labour candidate and I shall use the colours of the Labour Party."

Oct. 7.

Mr. Ramsay MacDonald has opened his election campaign by issuing his manifesto and by broadcasting an optimistic address to the nation.

In his broadcast speech the head of the National Government stresses that he and his colleagues had been striving to do since "the late Government shirked the unpleasant duty of carrying out what it admitted to be its duty."

The Prime Minister pointed out that though there had been no catastrophe the dangers in the situation had not yet been passed and if it was felt in the world that there was any prospect of an immediate reversal of national policy confidence would decline.

He then went on to explain to "the man in the street," the value of a balanced budget and a favourable balance of trade, and he stressed the necessity of keeping national expenditure within the bounds of income.

He declared that the National Government would need to enter an

international conference regarding the economic and financial situation of the world and must use its influence to remove impediments to commerce and finance which had largely contributed to the present breakdown.

These impediments, he said, were notably war debts, reparations, the uneconomic distribution of gold and the freezing up of credits.

The text of Mr. MacDonald's stirring appeal follows:

"The present National Government was formed in haste to meet the swiftly approaching crisis. It stopped borrowing, imposed economy and balanced the budget. World conditions and internal financial weakness, however, made it impossible for the Government to achieve its immediate object. Sterling came off gold, and the country must now go through a period of recovery and readjustment during which steps of the utmost importance, nationally and internationally, must be taken. A monetary policy which will establish sterling in the confidence of the world and authority to conclude international agreements, which will remove some of the most fruitful causes of economic misfortune—like war debts and reparations—from which the whole world now suffers so grievously, and which plans to change any adverse balance into a favourable balance of trade, will have to be set going without delay. In the background of this work, and studied at every point in connection with it, must be the question of unemployment, especially in its most important aspect of finding work by expansion of markets both at home and abroad. The Government will have to come to grips with a great variety of problems and apply, confident of general national support, its decisions regarding them.

"These are times of exceptional urgency and exceptional conditions which demand exceptional treatment. As it is impossible to foresee in the changing conditions of to-day what may arise, no one can set out a programme of detail on which specific pledges can be given. The Government must therefore be free to consider every proposal likely to help, such as tariffs, expansion of exports and contraction of imports, commercial treaties and mutual economic arrangements with the Dominions. It must watch how the devaluation of money and economies which had to be made to balance the Budget affect the lives of our people, and take every step which can be made effective to protect them against exploitation. It must be made plain, however, that whilst everything possible will be done to meet hardship, the Budget must not be allowed to slip into deficits. The possibility of home and Imperial development in all its aspects must be studied. The Government is to be comprehensively national, in no sectional, in obligations which it is to keep before it.

"In these days of tribulation and uncertainty we must all pull together and by our co-operation now strive to put a new spirit of energy and hope into our people. Whilst our present conditions last these things cannot be done by political parties fighting partisan battles on platforms and in Parliament. But they must not involve loss of political identity, because the immediate tasks are temporary and when finished will be followed by normal political activities. They do mean, however, willing co-operation between all political parties acting together through their representatives in a shouldering joint responsibility for discussion, examination and action. National unity through the co-operation of parties—all parties by preference, if that were possible—is as essential now as it was in August. In August a combination had to be improvised hurriedly, both as regards the Government and its supporting parties and groups in Parliament. Now with these prospects before us, and so many world indications of uncertainty still threatening, it is essential that the nation's support of the Government's policy is not beyond a shadow of doubt. Parliament has to be endowed with fresh life and mandates. So an Election is unavoidable. The working of Parliamentary institutions of democratic responsibility and of constitutional practice demands it. The Election, of the result of which there must be no uncertainty, is also necessary to demonstrate to the whole world the determination of the British people to stand by each other in times of national difficulty and support any measures required for placing themselves and their credit in an unassailable position. That is the basis of every security which our people have. In August we won the admiration of the world by our instant subordination of party politics to national interests. Let us now prove we are

determined to see the matter through until we have brought the country out beyond these cloudy days into clearer and more tranquil times."

Later in the day the King held a short Privy Council meeting at which he signed a proclamation dissolving Parliament.

The King's prorogation speech, read in the House of Commons this evening, refers to the financial crisis and the Indian Round-Table Conference.

It said in part, "In the last few weeks my people have been called upon to face a financial and economic crisis, which continues to give cause for anxiety. The measures taken to meet this emergency involve sacrifices from every member of the community. I am confident that, as on former occasions in the history of the country, every citizen will co-operate to the utmost in restoring prosperity to the nation."

Referring to the Indian Round-Table conference the King's speech says, "I have been following with interest and sympathy the resumed deliberations of the Round-Table conference, I trust the joint endeavour may produce an agreement on a plan which will commend itself to the judgment of wise statesmanship."

Oct. 8.

With the stage set for what Mr. Arthur Henderson foretells will be the "most savage" election he has ever experienced, an orderly front is gradually being formed behind the Prime Minister.

About fifty Labour members of the House of Commons who are supporting Mr. Ramsay MacDonald have formed a new "National Labour group" to oppose official Labour candidates.

The prominent Liberal, Sir John Simon, has sent a letter to his constituents in which he strongly backs Mr. MacDonald. In it he expresses the belief that some application of tariffs will be found necessary and says he is willing to see them applied. Consequently it is unlikely that his followers will be opposed.

Sir Oswald Mosley, whose "New Party" is putting up eighteen candidates, including the boxer, Kid Lewis, advocates the control of imports.

Mr. Arthur Henderson, addressing his followers at Scarborough today, said that the "decaying fabric" of capitalism could not be further patched up; they must therefore go forward to a Socialist society.

The only striking news from Opposition quarters to-day is a resolution passed at the Labour Conference at Scarborough rejecting a motion that the Labour Party should refuse to take office unless it is returned to Parliament with a clear majority.

An interesting development was the resignation of Major Gwilym Lloyd George, son of the veteran Liberal leader, from his post as Parliamentary Secretary to the Board of Trade, which he assumed on the formation of the new Ministry in August. This resignation is the logical outcome of his father's attitude towards the National Government.

In his manifesto to the Conservatives, Mr. Stanley Baldwin emphasized the necessity of their continued co-operation in the National Government, for unless the nation's trade account was balanced, he declared, nothing could save it from bankruptcy. To complete this work it was imperative that the Government should have a mandate from the nation. The country must show that it would have nothing to do with a party whose programme could only convert a situation which was already grave into chaos and catastrophe.

The devaluation of sterling, said Mr. Baldwin, was not a valid substitute for a tariff, which would be the quickest and most effective weapon not only to reduce imports, but also to induce other countries to lower their tariffs.

The desperate position of agriculture, he continued, required immediate and far-reaching relief. He expressed his opinion that a quota system and a guaranteed price for wheat were the best means of affording assistance. Dumping, he said, should be stopped, and he expressed the belief that treaties among the various member states of the Empire would be of enormous value.

The problem of the Empire, Mr. Baldwin said, was to secure that economic unity for which we have long striven. He hoped that Canada would renew its invitation for an economic conference of the British Commonwealth of Nations at Ottawa. Britain would then have a unique opportunity because it would be a national government, not a party government, not a

party government that would accept the invitation.

The ideal of Imperial economic unity, the Conservative leader declared, was widespread to-day and he was confident that the foundations of such unity would be well and truly laid, with such a general assent from the British people as would have seemed impossible but a few short years ago.

Sir Herbert Samuel opened the Liberal campaign with a speech at Bradford which there is reason to believe, may be treated as a substitute for the manifesto he had been expected to issue.

He said that there was a strong opinion among financial experts that during this year Britain had to provide exchange amounting to £2,000,000 a week to recover her unfavourable balance of trade. This was a real problem. If it should be found by an impartial enquiry that it was necessary to provide such restriction on imports as Mr. Walter Runciman (one-time President of the Board of Trade) had recently suggested in the House of Commons, the members of the Liberal Party must not say they had their minds rigidly closed to such a possibility. But, he added, permanent tariffs as proposed by the Conservatives were not directly related to the present emergency.

Sir Herbert Samuel said he did not exclude from consideration any proposal likely to be adequate whether it would deal with currency or expansion of exports, or restriction of imports, but he would not consent to decide in advance on the plea of national emergency—a great issue on which the country was profoundly divided. He had not agreed to sign any endorsement of a general commitment to tariffs, he informed his hearers, and the Liberal Party would not agree to taxing the food of the people.

The Government, Sir Herbert Samuel concluded, must undertake an inquiry into the question of the balance of trade and there must be a genuine decision to follow the argument wherever it led.

Oct. 9.

The number of candidates standing for election will be considerably smaller than in the general election two years ago, partly owing to the general tightness of money to finance election expenses—particularly in the Liberal Party as a result of Mr. Lloyd George's decision not to release the Liberal campaign fund—and partly owing to the arrangement members of the National Ministry are making in many constituencies to avoid three-cornered fights.

The Conservatives and Labour Party are believed to be putting up about 500 candidates; each; the Liberals possibly not more than seventy. The Liberals, indeed, have been compelled to make a public appeal for subscriptions to their fighting fund.

Meanwhile Sir Stafford Cripps, who was Attorney-General in the same Government, in the course of a speech yesterday, said that Labour had a complete scheme to remedy the present financial situation under which it would take over the Bank of England and then the joint stock banks.

Oct. 9.

To-day's most sensational election news centred round the Liberal Party, which is in a paradoxical position with Mr. Lloyd George as the pivot.

The Lloyd George family—father, son, and daughter—have disowned the Liberal Party, which now has an efficient machine but no funds to work it.

This afternoon a secret manifesto to Liberal candidates was issued by Mr. Ramsay Muir, one of the Liberal chiefs, in which he is understood to have said: "We have practically no funds at our disposal though we are doing our best to raise them. The whole weight of responsibility therefore falls upon the constituencies, and candidates must do their best in very difficult circumstances. The Conservatives will do their best to destroy us except perhaps in constituencies where we have a chance of defeating Labour."

It was announced to-night that Mr. Lloyd George, who is still convalescing from his recent illness, will not take an active part in the election at his constituency, Carnarvon, but will be an absentee candidate.

Meanwhile all Parties have begun canvassing and floods of literature are being sent from the Conservative and Socialist headquarters.

Of the parties participating in the National Government the Conservatives were asked to make the readiest sacrifices, said Mr. Stanley Baldwin, the Conservative leader,

in the course of a speech this evening at Birmingham, where he opened the National Government's campaign.

It was their pride and honour, he said, to make sacrifices. Mr. Baldwin expressed regret over the decision of the local Conservatives in the Darwen division of Lancashire to run a candidate against Sir Herbert Samuel. "This is not my idea of playing the game," he declared.

Sir Herbert Samuel, who is acting leader of the Liberal Party, has represented Darwen since May, 1929. Previously he represented the Cleveland division of Yorkshire, North Riding, from 1902 till 1918, when he was defeated.

Oct. 10.

The decks are cleared for the coming Election battle. The Labour Party has issued a manifesto containing in unequivocal terms details of the policy which it intends to put into force if returned to power. The manifesto is published over the signatures of Mr. Arthur Henderson, the Leader of the Party, Mr. J. R. Clynes, Home Secretary in the late Labour Government, and Mr. William Graham, ex-President of the Board of Trade.

The dominating points in the Labour Party's platform are the nationalisation of the country's banking system and the reopening of negotiations on a broad basis with a view to the cancellation of all war debt and reparations payments.

It is announced in the manifesto that the Labour Party is convinced that the country's banking and credit system must be brought directly under public ownership and control, and that a National Investment Board must be immediately established vested with statutory powers for the control of domestic and foreign investments. The Labour Party condemns in strong terms either of the alternatives of currency inflation or any new disastrous attempt at deflation aimed at forcing sterling back to the old gold parity. The Party will take a rigorous initiative in calling together an international conference with a view to reaching a concerted monetary policy. The Party believes that the general acceptance of President Hoover's one-year moratorium in connection with war debts permits a thoroughgoing reconsideration of the whole question of war debts and reparations payments, and it seeks the immediate reopening of negotiations between the signatories to the Young Plan with a view to attaining an agreed basis for the cancellation of inter-Allied war debts and reparations, this procedure having already been indicated by the United States Government as the proper manner of approaching the problem.

The manifesto continues with a declaration of the Labour Party's lack of confidence in any attempt to bolster up "bankrupt capitalism" by means of tariffs and instead is urged a definite system of planning industry and commerce in order to produce the highest standard of life attainable for the nation, this programme including the organisation of the power, transport, iron, steel and coal industries as public service undertakings owned and controlled by the nation. The creation of import boards is proposed in order that purchases of foodstuffs, raw materials and manufactured goods from abroad may be systematically regulated. Any special assistance to industry must be conditional upon acceptance of a definite measure of public ownership and control.

The Labour manifesto pledges the Party to put forward at the forthcoming Disarmament Conference proposals for drastic and far-reaching reductions, by international agreement, in the numbers and equipment of all armed forces and in all expenditure upon armament. Labour pledges itself to continue fully to support every phase and activity of the League of Nations. The socialisation of land is included in the Party's programme. In order to allow the scientific reorganisation of agriculture all land must be publicly owned and controlled.

The Labour Party also is determined to leave no stone unturned to bring the Indian Round-Table Conference to a successful issue. The Party pledges itself immediately to reverse the "harsh policy" of the present Government in reducing unemployment benefits.

Meanwhile, another manifesto has been issued by Mr. Lloyd George, who now finds himself in a position of strange isolation owing to the defection of the bulk of his erstwhile Parliamentary supporters. His manifesto denounces the Conservatives for plunging the country into a "wanton" Election. He de-

clares that he will be happy to assist in the next Parliament any Government or party which strives faithfully to get the country successfully through her troubles. But he "declines to assist what is a mere Tory ramp to exploit the national emergency for purely Tory Party advantage."

Although arrangements to avoid three-cornered fights are still being made, it has been possible to issue provisional lists of candidates. The tariff issue is coming more and more to the forefront of the campaign. The uneasiness of certain Liberals at being obliged to co-operate with Conservatives and fear of being overwhelmed by Protectionism have caused a still further split in the Liberal Party.

Mr. Lloyd George, who has already broken with his colleagues on that ground, has been joined by Colonel Tweed, the chief joined by the Liberal Party, who resigned to-day because the Liberal election committee decided not to run candidates where their intervention might result in a Labour victory.

The Labour Party under Mr. Arthur Henderson announce that they will challenge the Government candidates wherever possible, and five hundred Socialist candidates may be in the field.

The Conservatives anticipate that about five hundred of their candidates will contest the election in support of Mr. Ramsay MacDonald's programme, supplemented by the Baldwin manifesto.

The Liberal Party is disunited owing to the opposition of Mr. Lloyd George to the policy of Liberal members of the Government in supporting the policy of a free hand for the National Government, including possibly emergency tariffs.

Oct. 10.

Mr. Arthur Henderson, visiting Mr. Lloyd George at the invitation of the Liberal leader and the ensuing "full and cordial conversation" is to-day's outstanding feature in the political situation.

Mr. Lloyd George, it is stated, desired first-hand knowledge of the events leading to the resignation of the Labour Government and as a result of his talk with the former Foreign Secretary, the Liberal Free Traders and Socialists are likely to combine more closely in resisting tariffs.

Mr. Lloyd George denies the report that his "war chest" is locked as far as the Liberal candidates for Parliament are concerned. On the contrary, he states that as far as the resources permit funds will be available to Liberal candidates advocating Free Trade, without quibble or reservations.

Another striking piece of intelligence is that Mr. William Coxon, the secretary of the Seaham Harbour Labour Party, has been selected as the Labour candidate to oppose the Prime Minister, Mr. Ramsay MacDonald. The Seaham section of the Labour Party, it will be recalled, disowned Mr. MacDonald upon his formation of the National Government.

Oct. 12.

A response to Mr. Stanley Baldwin's plea for unity during the week-end is seen in the withdrawal of more prospective Conservative and Liberal candidates, and it can now be said that none of Mr. Ramsay MacDonald's "National Labour" group, numbering about 20, or Sir John Simon's National Liberals (about 30) will be opposed by Conservatives, but considerable hostility is felt by the Conservatives against Free Trade Liberals even when the latter support the Government. Consequently there is great unwillingness to stand down in their favour.

Despite Mr. Stanley Baldwin's appeal that they "play the game" the Conservatives in the Darwen division of Lancashire refuse to withdraw their candidate against Sir Herbert Samuel, acting leader of the Liberal Party, who was denounced to-day by Sir Henry Page Croft, in a speech at Darwen, as a "human eel" ready to "wriggle in any direction for his own or his Party's advantage."

Sir Henry Croft, who represents Bournemouth in the House of Commons, is a Conservative.

Practically 1,200 candidates are now in the field as compared with 1,729 in the last election. The candidates present eight parties, namely, Conservatives, Labour, National Labour, Independent (Samuel) Liberals, National (Simon) Liberals, Lloyd George Liberals, Sir Oswald Mosley's New Party and the Communists.

The Prime Minister, who to-day celebrates his 65th birthday, left London this morning to begin his election campaign in his constituency at Seaham.

Amid cheers and cries of "good old Ramsay" and "Happy returns and many of them," from a crowd

of hundreds Mr. MacDonald left Kings Cross by train for Seaham.

The approximate numbers of candidates, according to present estimates, are 504 Conservative, 31 National Liberals (of whom Sir John Simon is the leader), 21 National Labour, 119 Liberals, 19 New Party (who follow Sir Oswald Mosley) and 480 Labour opposition candidates.

Mr. MacDonald in an interview gave a watchword, "Keep unity" and said as far as he was concerned he was not going to enter any small party squabbles. "I want the nation to give a verdict that a Government is going to be returned the first duty of which will be to see the country through its present difficulties."—Reuter.

SULTAN'S GIFT TO BRITAIN

London, Oct. 6.

A gift of £5,000 as a contribution to the national Exchequer was received to-day by the Colonial Secretary from the Sultan of Johore, who has written to Mr. J. H. Thomas expressing the desire of Johore to offer a little help in the difficulties through which Britain is passing.

The State of Johore lies at the southern extremity of the Malay Peninsula and its ruler, who succeeded his father in 1895, is noted for his progressive ideas and capable administration. The last of his three visits to Europe was in 1929.

His Highness holds many orders, including the G.C.M.G. He is fond of big-game shooting, motoring and racing and also takes an interest in rubber planting. He is 58 years of age.—Reuter.

GANDHI'S EFFORT FAILS

London, Oct. 7.

The efforts of a small committee to settle by conciliation the conflicting claims of Hindus, Moslems and other communities in India, which claims have brought to a standstill the work of the Indian Round-Table conference, have ended in failure.

Mr. Gandhi is the President of this committee of 20 Indian members of the Round-Table Conference and he asked the conference for a week in which to tackle these claims of various communities. That week concluded to-night and at the final meeting Mr. Gandhi confessed that all their efforts had proved fruitless.

Oct. 8.

The Minorities Committee of the Indian Round-Table Conference was adjourned indefinitely to-day after a speech by Mr. Ramsay MacDonald appealing to the delegates to cease standing in the way of a settlement.

The Prime Minister said that the British Government would take action if the Conference could not go to the end. "The British Government," he declared, "is determined to make such improvements in the government of India as will be consistent with our own ideals."

The Minorities Committee has been trying it rain to seek a solution of its task, namely, to reconcile the conflicting claims of the various communities in India to seats in the proposed Legislature.

Oct. 9.

After a brief sitting to-day of the Federal Structure Committee of the Indian Round-Table Conference under the chairmanship of the Lord Chancellor, Lord Sankey, it was decided to adjourn until Tuesday, when it will examine the unanimous report of the finance sub-committee. This will be followed by discussions on the proposed federal court.

Lord Sankey, while expressing keen disappointment that the Minorities Committee had failed up to now to reach a final agreement, said he was not down-hearted, for all were still determined that the Round-Table Conference should not fail and that the Federal Structure Committee should continue its work. As to the minorities question, he advised that they should now concentrate on the method by which a settlement was to be obtained rather than on what the settlement should be.

Sir Muhammad Shafi accepted the suggestion, but Mr. Gandhi urged that they should proceed at once with the work of the Federal Structure Committee.

Sir Tej Sapru said that as Lord Sankey, owing to an official engagement on Monday, would be unable to attend the meeting on Monday, an adjournment until Tuesday was inevitable.

Sir Zafarullah Khan also supported the suggestion. — Wireless through Reuter.

AN EXTENDED MORATORIUM

President Hoover's Credit Proposals Have Favourable Reaction

Washington, Oct. 7.

Sweeping measures to ease financial credits were advocated by President Hoover last night at an extraordinary session at the White House which was attended by the highest officials in the Government. "Whatever the Federal Reserve Board can do in this direction it is ready now to do," the President is understood to have said.

A new credit organisation which would broaden the facilities offered through the Federal Farm Board and a liberalisation of the rediscount provisions of the Federal Reserve Law were among the provisions proposed by President Hoover for a relief of the economic crisis which is afflicting the whole world.

Suggestions for extending the present year's moratorium in connection with the debts owed by the various governments to each other were briefly touched on at the Conference, but no attempt was made to reach an agreement on this issue and it is understood that even the possibility of an extension of the moratorium would not be seriously considered until President Hoover and M. Laval, the French Premier, have discussed matters.

The Conference was attended by Mr. Andrew W. Mellon, Secretary of the Treasury, Mr. Ogden N. Mills, Under-Secretary of the Treasury Department; Mr. Eugene Meyer, Chairman of the Federal Reserve Board; 16 senators and 16 members of the House of Representatives about equally divided between the Republicans and Democrats.

The Conference sat till midnight. At its conclusion it was learned from a usually well-informed quarter that a credit organisation, to be known as The Emergency Credit Corporation, with a capital of \$500,000,000 had been authorised. It will make loans at its discretion to any financial institution.

The Federal Reserve Act has for one of its main purposes the marshalling of the bank reserves of the country. To this end twelve Federal reserve banks were created, one in each of the districts into which the United States was divided. Every national bank must become a member of the reserve bank in its district and subscribe to its capital stock. State banks may also enter the system by complying with certain requirements; and because of the benefits that inure to member banks, many state banks have joined.

Member banks hold part of the reserves of member banks. The Secretary of the Treasury uses the reserve banks as government depositories. Through these two channels come most of the resources of the banks; and by means of these deposits, against which a 35 per cent. reserve must be held, the reserve banking power of the country is safeguarded and concentrated, instead of being scattered.

Any member bank may indorse and rediscount with its reserve bank "notes, drafts, and bills of exchange issued or drawn for agricultural, industrial or commercial purposes," of good quality and with "a maturity at the time of discount of not more than ninety days," and also a limited amount of longer paper "drawn or issued for agricultural purposes, or based on live stock." No paper shall be eligible that is drawn for carrying on speculation in securities.

President Hoover, in a statement issued after the close of the conference, declared that he proposes to discuss with M. Laval, the French Premier, the question of such further arrangements as were imperative during the period of depression in respect of inter-Governmental debts. He says: "Our problem in this connection is one of such adjustment during the period of depression as will simultaneously aid our, and the world's recovery."

Both Republican and Democratic Congressmen present at the conference with President Hoover strongly objected to the idea of any such discussion between the President and M. Laval.

President Hoover in his statement says the purpose of the new national credit institution would be to rediscount banking assets not now eligible for rediscount by the Federal Reserve Bank. At his request, the leading banks in New York were assuming leadership in its formation. Furthermore, if necessary the creation of a Finance Corporation would be recommended similar to the War Finance Corporation, with funds sufficient for any legitimate call to support credit.

President Hoover adds that the withdrawal of currency from banks in certain sections of the country is wholly unjustifiable. The times demanded unity of action on the part of all the people.

Senator Watson, the Indiana Republican leader, after the conference said there had been absolute unanimity in principle on three propositions which require Congressional action, but no special session would be called and President Hoover would rely on assurances given at the conference to proceed with his plans.

Senator Borah led the opposition to suggestions to extend the moratorium inter-governmental debts.—Reuter

BANK DIRECTORS TO CONFER

Paris, Oct. 8.

M. Charles Farnier, deputy governor of the Bank of France, and M. Robert-Labour Gayet, a director of the bank, left for New York to-day to confer with the directors of the Federal Reserve Bank on the international financial situation.—Reuter

Senator Hoover would rely on assurances given at the conference to proceed with his plans.

Senator Borah led the opposition to suggestions to extend the moratorium inter-governmental debts.—Reuter

New York, Oct. 7.

There has been a very favourable reaction in Wall Street to the proposals of President Hoover aiming at easing financial credits. Members of the New York Clearing House have agreed to contribute \$150,000,000 towards the capitalisation of the proposed \$500,000,000 credit corporation. The leading bankers hope to have the plan ready by the end of the present week.

The American Bankers Association holding their convention at Atlantic City have voted their approval of the credit proposal. After the first rupture over the Hoover proposals, heavy profit-taking set in on the stock market, driving back most issues from one to five points from yesterday's advance. Bonds however still are strong, utilities, railways and industrials advancing on a wide front.

The new credit corporation, proposed by the President at a special conference at the White House yesterday, is designed to broaden the facilities offered through the Federal Farm Board and a liberalisation of the rediscount provisions of the Federal Reserve Law and so relieve the economic crisis the world is passing through.

In a statement after his conference with Treasury officials, the chairman of the Federal Reserve Board, and a delegation of Senators and Congressmen, President Hoover issued a statement on his proposals to the effect that leading banks were assuming leadership in the organisation of the \$500,000,000 Credit Corporation and that if necessary the creation of a finance corporation would be recommended similar to the War Finance Corporation, with funds sufficient for any legitimate call to support credit.—Reuter

Washington, Oct. 8.

Leading bankers of the United States to-day informed President Hoover that within 48 hours a Rediscount Institution to loosen credit and halt and overcome the long-prevailing economic depression will be incorporated in the United States. The Institution will have a working capital of at least \$500,000,000.

Meanwhile, it is learned that the Treasury of the United States is considering the establishment of a revolving fund which will take over the sound but frozen assets of banks in times of economic depression. The Treasury, from the proposed revolving fund, would advance funds to the banks in case of the necessity of relieving depositors.

The press of the country is virtually unanimous in its expression of opinion that President Hoover's plan for unity of economic action will do much to help financial, industrial and commercial conditions in the United States and consequently throughout the world. Republican members of the Senate and of the House of Representatives approve the Hoover Plan. Most of the Democrats in Congress, however, are assuming an attitude of watchful waiting.

Senator Robert M. La Follette, insurgent Republican of Wisconsin, believes that President Hoover's

WORLD ACTION NECESSARY

London, Oct. 6.

Mr. J. H. Thomas, Secretary for the Dominions, in an interview to-day emphasized the world-wide nature of the economic crisis, and expressed the view that international measures would ultimately prove essential. The statesmen of the world must address themselves to the origins of the trouble, which were rooted in reparations, debts and currency problems. One of the first duties of the new Government would be to apply themselves to these international issues.

As to the Imperial aspect of the Government's work, Mr. Thomas said he hoped the National Government's entire policy would aim at making a fuller use of the Empire's immense resources. He expressed complete confidence that the United Kingdom was in no danger of losing her financial supremacy. Those who indulged in such doubts might be reassured by considering the position before Britain returned to the gold standard in 1925.

"It was found then that we did not forfeit our position to the United States or any other country, because our knowledge of international commerce and the connection built up for over half a century were more important than the relation of our currency to gold. Our temporary difficulties must not obscure the essential strength of our position. We have been for over a century and we remain the wealthiest country in Europe. Our foreign trade is greater than that of any other European country. Our banking system is absolutely sound and secure, and in this respect contrasts favourably with that of countries whose currency is still on a gold basis. Our foreign assets run into thousands of millions of pounds. Though the pound is temporarily adrift from a fixed gold standard, our Budget is securely balanced and the Government's credit is unimpaired. There is no reason whatever to anticipate any considerable or prolonged depreciation of sterling, or any failure of this country to retain its financial leadership."—Wireless through Reuter.

OUTRAGE ABOARD THE TUCKWO

London, Oct. 5.

Captain A. Eden, under-secretary for Foreign Affairs, told a questioner in the House of Commons this afternoon that Sir Miles Lampson, British Minister, was awaiting details from Nanking regarding the armed raid on the British steamer Tuckwo when Chinese searched for opium and during the course of which five Chinese members of the crew were beaten. He said the incident must certainly not be regarded as having been closed.

The Tuckwo was held up off Kowloon Boat station in the Yangtze on September 20 by men in Nationalist uniforms and are alleged to have strung up and flogged members of the crew in an endeavour to uncover contraband.

Captain Eden told another member that the attitude of the British Government towards the Sino-Japanese dispute in Manchuria was completely in accord with that of the League of Nations Council.—Reuter

AWARDS TO BRITISH INVENTORS

London, Oct. 9.

Included in the awards issued in the sixth report of the Royal Commission on Awards to Inventors Reuter learned to-day is £100,000 to Peter Brotherhood, Limited, for improvements in internal combustion engines.

A sum of £14,000 is awarded to F. Martin Hale, whose rifle-grenades and aircraft bombs were the only type available when the War broke out.

Hundreds of thousands of these bombs and over ten million rifle-grenades were used during the War. The first Zeppelin destroyed by aircraft—at Dusseldorf in October, 1914—and the first U-boat sunk met their fate as the result of Hale bombs.—Reuter

plan is fair as far as it goes. But he contends that it will not be sufficient to cope with the present emergency.

Officials at the Department of the Treasury to-day estimated that President Hoover's credit pool plan will serve to release cash credits totalling \$34,000,000.

There is not complete unanimity of opinion.—United Press.

OCEAN FLIERS ACCLAIMED

Enthusiastic Welcome for Pangborn and Herndon at Wenatchee

Wenatchee, Wash., Oct. 5.

Landing here at 7.05 o'clock this morning in their single motored Bellanca monoplane, the Miss Veedol, Messrs. Clyde Pangborn and Hugh Herndon were acclaimed enthusiastically by a great throng as the first aviators to make a non-stop aeroplane flight between Japan and the United States.

As they landed their plane nosed over and Mr. Pangborn suffered a slight cut over his eye. Both fliers were slightly scratched but otherwise they were uninjured.

The Miss Veedol had appeared over Wenatchee at seven o'clock this morning after a flight from Sabishiro Beach, Japan, which began at seven o'clock Sunday morning, Japan time.

After circling the Wenatchee landing field this morning, Messrs. Pangborn and Herndon started eastward. They then dumped 100 gallons of gasoline and returned to land. Their plane slid fifty feet before it nosed over. As Mr. Pangborn had his eye dressed Mr. Herndon, brushing his clothing, asked for a cigarette. They reported that on the flight from Japan weather conditions were clear except for occasional banks of fog over the Aleutian Islands.

The Miss Veedol passed Seattle at 2.12 o'clock this morning and then flew on to Spokane before it veered and returned to Wenatchee. When the plane flew over Seattle at 3.12 o'clock this morning it was not identified. The fliers soared eastward as all points were on the lookout for the first aviators to have spanned the Pacific ocean.

In an interview with the United Press Mr. Pangborn said that after leaving Sabishiro Beach on Sunday morning he and Mr. Herndon flew northward over the Kurile Islands. Then, after flying toward Dutch Harbour the Miss Veedol veered eastward and headed over the open water. Mr. Pangborn said that he and Mr. Herndon had not considered landing at Seattle where it was raining heavily and where a heavy fog blanket hovered low over the city. From Seattle the plane crossed the Cascades easily after mounting to a high altitude. The fliers estimate that they flew 300 miles out of their way by going to Spokane before landing at Wenatchee.

On the flight from Japan Messrs. Pangborn and Herndon flew a total distance of 4,915 miles at an average speed of 119 miles an hour.

Upon landing the fliers were bashful. They shook hands with those who had gathered to greet them. Hundreds of persons were able to welcome the famous aviators; Messrs. Pangborn and Herndon were as excited as were the people who greeted them.

"We had a fine trip," Mr. Pangborn said. "It was really a cinch. We simply left Japan, flew for a while and landed over here after bucking occasional headwinds and rising through rain and fog."

At the time the Miss Veedol landed there were only 500 people on the field but soon the crowd of spectators increased to 10,000. Within a few minutes after the plane was hauled over the Wenatchee field crowds appeared from all directions. There were fears among the spectators for a time that the aviators would continue on to Salt Lake City, Utah, without effecting a landing at Wenatchee. But after dumping their gasoline they returned immediately. Only with great difficulty was order maintained on the landing field.

The landing gear of the Miss Veedol was damaged when the plane slid along the runway to-day. But it is believed that repairs can be effected quickly. A new landing gear will be installed. The aviators had expected to take off on a non-stop flight from Wenatchee to Dallas over Mr. William Easterwood, Jr., the Texas chewing gum magnate, had offered a prize of \$25,000 for the first flight between Tokyo and Dallas with only one intermediate stop. However, Mr. Easterwood's attitude in indicating that Messrs. Pangborn and Herndon are not eligible for his prize may change their plans.

Although Mr. Pangborn was reticent his friends are convinced that he turned back and sacrificed a chance to establish a new world's non-stop distance flight record in order to greet his mother who lives here and who was the first to greet him.

By flying over Seattle at 3.12 o'clock this morning the fliers reached that city three hours ahead of their own schedule.

After greeting their friends here Messrs. Pangborn and Herndon re-

quested that they be allowed to sleep. They admitted that they are greatly fatigued. They declared that the fair weather they encountered played a great part in the success of their flight.

The unassuming attitude of the gallant aviators greatly pleased officials here.

In Dallas to-day Mr. Easterwood said that he will not pay his \$25,000 prize to Messrs. Pangborn and Herndon even if they do fly on to Dallas. He said he specified that the flight to win his prize must be between Dallas and Tokyo by way of San Francisco.

"Also," said Mr. Easterwood, "I intend to pick my own fliers and select my own route."

Upon being informed of Mr. Easterwood's attitude Mr. Pangborn said that he would have continued flying until his gasoline had been exhausted had he known that the prize was all off.—United Press.

Tokyo, Oct. 6.

The Foreign Minister, Baron Shidehara, has cabled to Col. Henry Stimson, Secretary of State, congratulations concerning the successful accomplishment of a non-stop flight over the Pacific Ocean by Hugh Herndon and Clyde Pangborn. Baron Shidehara says: "Now that the ocean between us has been bridged by one continuous flight accept my warm congratulations upon the event and also on the intrepidity, skill and patience which enabled Mr. Pangborn and Mr. Herndon to achieve this memorable result, which will remain a landmark in the history of aviation."—Reuter

Seattle, Oct. 8.

Amidst a terrific din and with great acclaim Seattle to-day welcomed Messrs. Clyde Pangborn and Hugh Herndon, the American aviators who this week flew without a stop from Sabishiro Beach, Japan, to Wenatchee, Washington, in their single motored Bellanca monoplane, the Miss Veedol.

The Governor of Washington and the Mayor of Seattle met Messrs. Pangborn and Herndon at the city limits and escorted them at the head of a parade through the city. The fliers were showered with confetti and they were noisily cheered.

The parade terminated at the Seattle Civic Auditorium where officials and distinguished aviators welcomed the first fliers to make a non-stop aeroplane flight across the Pacific ocean Mr. Pangborn's mother accompanied the aviators.

En route from Wenatchee to Seattle a traffic policeman mounted on a motor cycle accidentally crowded Messrs. Pangborn's and Herndon's motor car off the road while it was travelling at a speed of 60 miles an hour. The fliers were not injured.

However, the following car, containing members of the staff of the Tokyo "Asahi," one of the great newspapers of Japan, in order to avoid a collision skidded. It was wrecked. There were no injuries among the Japanese newspapermen, however.

Kingsford-Smith in London

London, Oct. 7.

Air Commodore Kingsford-Smith arrived at Heston aerodrome from Rome at 5.38 this afternoon, after a journey of just over 11 hours.

As he stepped out of the cockpit the airman looked thin and ill despite a heavy tan and he confessed that he still felt "rocky about the knees."

A few seconds after the plane came to a standstill the Australian England record holder, Mr. J. A. Mollison, was alongside to greet Kingsford-Smith with the words, "luck old man."

Half an hour after landing the distinguished airman was talking to his wife in Australia for she put through a call from Melbourne just in time to catch him before he left the aerodrome.

Commodore Kingsford-Smith says he is seeing a nerve specialist to-morrow but may possibly start out again at the end of the week in his attempt to break the England to Australia record.—Reuter

A ROYAL BRIDE

London, Oct. 7.

The King held a Privy Council at Buckingham Palace to-day at which he registered his formal consent in Council to the marriage of Lady May Cambridge, his niece, to Capt. Henry Abel Smith. The marriage will take place on October 24.—Reuter

SUGGESTION TO GERMANY

Political Leader Proposes a National Government as Necessity

Berlin, Oct. 4.

A strong plea for a National Government, based on a coalition of all non-socialist parties to deal with emergencies which it is not possible to foresee, was made to-day by a prominent leader of the Catholic Centre Party, Herr von Papen in a speech at a party meeting in a Rhinish town. This speech in favour of what Herr von Papen himself described as a dictatorship has caused a stir in political quarters here where it is pointed out that the sentiments voiced by the speaker are diametrically opposed to the official policy of the Catholic Centre Party. Even so, however, opinion is divided on whether the sensational speech foreshadows a radical change in the policy of the Catholic Party or whether Herr von Papen uttered merely his own sentiments.

Proceeding from the premise that the events around the Austro-German customs union project had shown Germany to be completely isolated, the speaker insisted in his speech that the Reich was rapidly approaching the crossroad. On one hand, he insisted, the way leads towards Soviet Russia and her system of economic collectivism, while the other pointed towards a closer union with the capitalist countries of the West which, for the time being, was tantamount to a rapprochement with France. The first possibility, the speaker continued must be ruled out, and there remained only the alternative. Germany's return to individualism, in open opposition to Russian collectivism. Last Sunday's election results in Hamburg, he continued, had clearly demonstrated that the time of middle courses and middle parties was past and that Germany had to choose between the two extremes which, he asserted, was a blessing in disguise. The choice, however, could only lie with the Right, because only the parties of the Right could guarantee the maintenance of domestic law and order which was indispensable for a restoration of private enterprise and the abolishment of all socialist and semi-socialist policies. The re-assembling of the Reichstag this month, Herr von Papen prophesied in conclusion, would bring a general swing towards the Right even amongst the so-called middle parties.

The secession movement in the ranks of the German Social Democratic Party culminated to-day in the formation of the "Socialist Workers Party" whose inaugural congress here was attended by over 200 prominent socialist dissenters from 25 out of Germany's 32 electoral districts. The Social Democratic left-wing deputies Dr. Resenfeld and Seydewitz who were recently expelled by the Social Democratic Executive for insubordination were unanimously elected Chairman and Vice-Chairman of the new party.

In the founders' manifesto of the new party its aims are defined as "the waging of the class struggle against the bourgeoisie". At the same time, the new party professes adherence to the Second International, the international organisation of the socialist and labour parties and repudiates all Communist tendencies and tactics. Beginning next week, the Socialist Workers Party will publish at Berlin, its own organ, "Der Sozialistische Arbeiter", adding to the multitude of party papers already appearing in the capital.

Furthermore, it was announced at the close of the inauguration congress that the party will create its own formations for guarding its meetings from the interruptions of political opponents, a task which the Social Democrats always leave to the so-called Reichsbanner Association which is sponsored jointly by the Social Democratic, the Catholic and the Democratic party.

The prospects of the new party playing an important role in Germany's domestic affairs are as yet untested to gauge. It is, however, not assumed that it will ever achieve great prominence, because it will be hemmed in on one side by the Social Democrats and on the other by the Communists. On the other hand it is worthy of notice that one of the veterans of Socialism in Germany, Paul Lebedour, who recently celebrated his eighteenth birthday and who in his youth was one of the stormy petrels of the movement, has publicly announced his allegiance to the new party,

adding that he would advise his still considerable following to join it.

Oct. 6.

The Foreign Minister, Dr. Curtius, who resigned to-day in accordance with general forecasts, has been requested by Chancellor Dr. Brüning to carry on, and it is now freely admitted in political quarters that the entire cabinet will resign in a day or two, probably already to-morrow, as soon as President von Hindenburg has signed the new series of emergency decrees which embody the so-called winter programme, a system of drastic and even draconic measures with which it is proposed to deal with the present and future exigencies of the situation.

Oct. 7.

The German Cabinet resigned at noon to-day, when Dr. Brüning tendered to President von Hindenburg the resignation both of himself and his ministerial colleagues. The President accepted the resignation and requested the Cabinet to carry on, pending the formation of a new Cabinet.—Trans-Ocean Kuo Min.

Oct. 7.

At the request of President von Hindenburg Dr. Brüning, the Chancellor, is forming a new Ministry. He expects to have the list of the new Cabinet ready by to-morrow, thus Germany will have a new Government within 24 hours of the resignation of the old.

Meanwhile, there is much speculation as to the fate of the new Cabinet when it faces the Reichstag. Should the People's Party combine with the Nationalists in voting against the new Cabinet then its fate will be sealed and unless Dr. Brüning is prepared, with the approval of President Hindenburg, openly to proclaim a Dictatorship and govern without Parliament the followers of Herr Hitler will have a chance of taking control.—Reuter.

Oct. 9.

After two days of strenuous effort Dr. Heinrich Brüning, Germany's "Iron Man," to-day succeeded in forming a new Government to the coalition Cabinet which resigned after Dr. Julius Curtius, the Foreign Minister, had withdrawn from the scene of political action.

In the new Government Dr. Brüning, who has headed the Government since March 30, 1930 and who has been a virtual dictator for many weeks, becomes the Chancellor. He also becomes the Minister of Foreign Affairs to succeed Dr. Curtius. Dr. Brüning is one of the leaders of the Centre Party.

Dr. Groener becomes the Minister for Defence as well as the Minister of the Interior.

In the new Government Herr Gottfried Treviranus is the Minister of Transport and Dr. Hermann Warmbold, is the Minister of Economics.

Dr. Kurt Joel is the Minister of Justice and Dr. Dietrich is the Minister of Finance.

Herr Adam Stegerwald, the former Prussian Prime Minister, continues in his post as the Minister of Labour. Dr. Schille is the Minister of Posts and Telegraphs.—United Press.

Oct. 10.

Shouts of "Hail Hitler!" from a large crowd in the Wilhelmstrasse greeted the arrival of Hitler at the residence of President von Hindenburg this morning at 11.15. Hitler responded with the Fascist salute.

The Nazi leader had an interview with the President lasting for 45 minutes and it is believed they frankly exchanged views on the German situation.

The President stressed that nothing must be done by the Nazis at present which would worsen the situation, an obvious reference to the meeting to-morrow of Nazis at Harzburg.

Oct. 10.

At the conclusion of the visit paid this morning to President von Hindenburg by Herr Adolf Hitler, the leader of the Nazis (National Socialists), a statement was issued from the headquarters of the Nazis.

The statement declared that Herr Hitler and Dr. Goehring, a Nazi deputy in the Reichstag, explained to the President the aims and aspirations of the Nazi movement and that afterwards they discussed home and foreign affairs.

Herr Hitler was cheered by his supporters on leaving the Presidential palace and responded with Fascist salute. Shortly after his arrival at his hotel he embarked for

another conference with the Nazis.—Reuter.

Oct. 10.

Political interest was focussed to-day upon the meeting between President von Hindenburg and Herr Adolf Hitler, the leader of the National Socialist Party. It was the first time they met, and as their convalescence lasted for nearly an hour, there is much speculation as to what passed during that period. According to the official statement, proceedings opened with a brief statement on the aims of the National Socialist Party by Herr Hitler. After this, the President and Herr Hitler embarked upon a general discussion of the Reich's domestic and foreign problems, in which the National Socialist leader was assisted by Captain Goering, a German war ace and one of the chiefs of the National Socialist movement. After enumerating these bare facts, the communique emphasises that Herr Hitler's audience of the President had been requested, and granted, several weeks ago and that, therefore, the conference had no connection with recent political developments.

When leaving the Executive Mansion shortly after noon, Herr Hitler and Captain Goering were enthusiastically greeted by thousands of their followers who crowded the narrow Wilhelmstrasse. The police had taken special precautions to curb any exuberance of political feeling, but found no cause to interfere. In the afternoon, Herr Hitler left the capital again for Harzburg, the idyllic health resort in the Harz Mountains which will be the scene of to-morrow's council of war of all opposition parties of the Right.

The new cabinet held its first meeting this afternoon, after President von Hindenburg had previously taken the oath of the two new ministers, Professor Warmbold and Dr. Joel. The meeting lasted until late in the evening and, after approving of the ministerial declaration which the Chancellor will read in the Reichstag on Tuesday, decided that in the event of defeat in the subsequent division on the no-confidence motion, it would resign but request the President to dissolve Parliament.—Trans-Ocean Kuo Min.

LORD READING IN PARIS

Paris, Oct. 8.

It was reported that Lord Reading, who is visiting Paris to confer with M. Laval and other members of the French Government, had stated that the British Government proposed to stabilise the pound sterling as soon as possible after the general election and that it probably would be stabilised at approximately the figure quoted on the exchange markets to-day, about a hundred francs to the pound.

This morning the British Embassy here made an announcement denying reports that Lord Reading had made such a statement concerning the stabilisation of the pound sterling.

There was a meeting to-day between Lord Reading, M. Laval, M. Briand (Foreign Minister), M. Flandin (Minister of Finance), and M. Rolin (Minister for Commerce), and a communique issued shortly afterwards stated that there had been a frank and friendly exchange of views embracing the general situation in all its aspects. The conversations are to be resumed at 11 o'clock on Thursday morning.—Reuter.

London, Oct. 8.

Before leaving Paris for London this afternoon, the Foreign Secretary, Lord Reading, who has been conferring with M. Laval and other Ministers on "the general position", granted an interview to French and foreign journalists. He said he could not reveal any secrets, although he expressed satisfaction with the result of his visit.

Lord Reading declared that nothing was definitely known regarding the proposal to put a tariff on luxury imports into Britain. He had not heard that there was any question of Britain participating in the impending discussions at Washington between President Hoover and the French Prime Minister, M. Laval.

The Foreign Secretary was seen off by the French Foreign Minister, M. Briand. He arrived at Victoria Station an hour before midnight and, in an interview with a representative of Reuters Agency, said that his discussions at Paris had been most satisfactory. His talks with the French Ministers, he added, were of a most comprehensive nature and they had dealt with numerous questions.—Reuter.

MANCHURIAN ARMS IMPORTATION

London, Oct. 7.

In the House of Commons to-day Mr. C. G. Ammon, Parliamentary and Financial Secretary to the Admiralty in the late Labour Government, asked whether under the Arms Traffic Convention or any other international instrument steps were being taken to prevent the importation of arms into Manchuria.

Captain A. Eden, Under-Secretary of State for Foreign Affairs, in reply said that the Arms Traffic Convention was not yet operating and that there was no other international agreement by which the import of arms into Manchuria could be regulated. However, he added, it was the practice of the British Government to refuse licences for the export of arms to China unless the Chinese Government approved the transaction.

Replying to Sir Robert Newman, Independent member of Parliament for Exeter, Captain Eden said that Lord Reading, the Secretary of State for Foreign Affairs, proposed to issue a White Paper dealing with the work of the League Assembly, in which mention would be made of the discussions on the Manchurian situation. He declared that no special steps had been found necessary to protect the interests of British nationals or British property in Manchuria, but that the position was being carefully watched.—Reuter.

NEW METROPOLITAN POLICE CHIEF

London, Oct. 7.

Air-Marshal Lord Trenchard has been appointed Commissioner of the Metropolitan Police in succession to Viscount Byng.

Lord Trenchard, who is 58 years of age, is the first member of the Royal Air Force to hold the post of Commissioner of the Metropolitan Police.

Viscount Byng, the retiring Commissioner, possesses a distinguished war record. He won great fame as a commander at Vimy Ridge. At the end of the War he was thanked by Parliament for his distinguished service and granted £30,000. Retiring from the Army in 1919, he was appointed to succeed the Duke of Devonshire as Governor-General of Canada in June, 1921. Viscount Byng took over his present post from Sir W. Horwood in 1928.

The new Commissioner entered the Army at the age of 20 and served in South Africa. A pioneer in military aviation, he became commander of the Central Flying School in 1914, and did valuable work in the War. He received in August, 1930, a barony with a grant of £10,000.—Reuter.

POSTAL EMPLOYEES PROTEST

London, Oct. 11.

A hundred thousand lower grade civil servants, mostly Post Office employees, marched in a procession along the Embankment to Hyde Park to-day and held a meeting to protest against cuts in their wages which, they allege, amount to a total of 40 per cent. in the past ten years.

The procession was headed by pipers wearing kilts and was enlivened by 22 brass bands. Among the inscriptions on the banners which the demonstrators carried were: "Post Office profits £60,000,000: Post Office wages—40 per cent. reduction" and "Do you want your letters in the morning?"

In Hyde Park the demonstrators were addressed by three former members of the House of Commons. Hundreds of police were on hand to prevent disturbances, but the whole proceedings were orderly.—Reuter.

AFRIDI BLOCKADE LIFTED

Peshawar, Oct. 4.

The blockade of Afridi tribesmen which has been maintained for the past year was raised to-day by the North West Frontier authorities as a result of the Afridis unconditionally accepting the Government's terms.

The terms are (1) occupation by the Government forces of the plains adjoining the Peshawar district; and (2) forfeiture of the tribal allowance for the period in which the tribesmen refused to accept the terms imposed.

The blockade has lasted ever since the repeated incursions of the Afridis into the Peshawar district a year ago.—Reuter.

POLITICAL CLASH IN SPAIN

Madrid, Oct. 4.

For the first time since the establishment of the Republican Government in Spain a definite clash between Monarchists and Republicans occurred here last night.

The encounter took place when supporters of Senor Jose Primo de Rivera, son of the former Dictator and a candidate for Parliament, collided with adherents Republican-Socialist coalition.

Shouts of "Death to the Republic!" and "Viva Primo!" from Monarchists punctuated the fray, in which two young Republicans were injured. Three Monarchists were arrested by the police.

Senor Cossio defeated Senor Jose de Rivera in the election. The Republican-Socialist candidate received 56,000 votes and Senor de Rivera exactly half this total, 28,000.

The fact that the former Dictator's son received so many votes is considered to indicate that the pendulum has begun to swing against the Government, as the name of de Rivera could hardly be mentioned a few months ago without trouble for someone.—Reuter.

Oct. 6.

For the second time in the past ten days a Spanish Minister has resigned his position and then withdrawn his resignation.

Ten days ago, when the Prime Minister, Dr. Zamora, rebuked the Minister of Finance for "wasting the time of the Cortes by arguing with Catalans," M. Prieto resigned. A short while afterwards, when his temper had cooled down, he withdrew his resignation.

To-day the Prime Minister himself resigned. This step followed a dispute with the Constitutional Committee in the course of a debate on an article in the Constitution providing for the gradual socialisation of private property.

A member of the Committee attacked Dr. Zamora, whereupon he left his seat on the front Ministerial bench and took a seat among the Deputies, saying he had resigned.

The Prime Minister withdrew his resignation after a conciliatory speech had been made by the Speaker, Dr. Besteiro, and a vote of confidence was passed with much applause.—Reuter.

SOVIET COMMISSAR REMOVED

Moscow, Oct. 12.

As the result of the chaotic conditions in the Russian railway and waterway system, the Commissary of Communications Ruginovich has been summarily removed from his post. He is succeeded by Andreyev, formerly the head of the Communist Party's Control Committee, who has the reputation of being an excellent organiser and who is expected to rule his new department with a strong hand.

In this connection, the papers publish lengthy and pertinent resolutions recently adopted by the Executive Committee of the Communist Party and the Council of Peoples Commissaries. Both resolutions emphasise the highly unsatisfactory state of affairs obtaining in the transportation system, and the need for a change in the administration which, it was declared must be rescued from the dismal rut into which it had been allowed to drop, if the Five Year Plan was not to be jeopardised.—Trans-Ocean Kuo Min.

GREECE AND TURKEY IN ACCORD

Athens, Oct. 4.

The friendship between Greece and Turkey, who have not been on the best of terms in past years, was sealed in speeches made this evening by M. Venizelos, the Prime Minister of Greece, and Ismet Pasha, Prime Minister of Turkey.

The occasion was a banquet given in honour of Ismet Pasha and the Turkish Foreign Minister, Tewfik Rushdi Bey, who arrived here yesterday on an official visit.—Reuter.

MR. THOMAS EDISON'S CONDITION

West Orange, Oct. 10.

There was a new and serious change to-day in the condition of the eminent electrician and inventor Mr. Thomas Alva Edison. He is now lying in a stupor, but his doctors are of the opinion that he may live another week.—Reuter.

SENATOR MORROW DEAD

Father of Mrs. Lindbergh Passes Away in His Sleep: America in Grief

Englewood, N.J., Oct. 5.

United States Senator Dwight Whitney Morrow, Republican of New Jersey and the father of Mrs. Charles A. Lindbergh, died suddenly at his Englewood estate here to-day.

The death of Senator Morrow came as a profound shock to the nation. It was announced that he died in his sleep at 1.52 o'clock this afternoon. Death was induced by a cerebral hemorrhage. Senator Morrow was only 58 years of age.

At the time of Senator Morrow's death his second daughter and his distinguished son-in-law, Colonel Charles A. Lindbergh, were approaching Shanghai from Hanoi aboard H.M.S. Hermes, the British aircraft carrier which is also taking the wrecked Lindbergh aeroplane to China's first port.

The death of Senator Morrow removes from the United States Senate one of the ablest and most accomplished figures on the American political scene. It removes a man whom many believed would be the President of the United States within the next five years. America, through the death of Senator Morrow, has lost one of her foremost diplomats and one of the leading financiers of the country.

In Washington President Hoover, members of the Cabinet, Congressmen and prominent personages were deeply grieved over the sudden passing of Senator Morrow. Throughout the land there is deep mourning.

In the capitals of South America there is great grief over the passing of Senator Morrow. For when he was the United States Ambassador to Mexico he came to be known as a man who understood Latin-America.

From the time he was appointed by former President Calvin Coolidge as the United States Ambassador to Mexico until the present Senator Morrow had an abundance of evidence of his popularity with the people of the North and South American continents.

Senator Morrow apparently was in excellent health as recently as last night. He broadcast an address for a Jewish charity drive and when he died he was simply indulging in an afternoon nap with none of his friends or members of his family aware that death was so near.

From all parts of the country and from every corner of the world expressions of deep shock and sympathy are pouring in on Englewood. President Hoover personally sent his condolences to the Morrow family. There have been many expressions of regret that at the time of her father's passing Mrs. Lindbergh was so far away, having just engaged with her husband in valuable flood relief survey work over the inundated areas of China.

Senator Morrow was born at Huntington, West Virginia, on January 11, 1873. He was educated in the public schools and then he was graduated from Amherst College, where he and former President Coolidge were classmates. Leaving college in 1895 Senator Morrow studied law at Columbia University in New York. He was admitted to the bar in 1899 and shortly afterward he became associated with the legal firm of Simpson, Thacher and Bartlett in New York. From 1910 to 1914 he was a partner in the firm. From 1914 to 1927 Senator Morrow was a member of J. P. Morgan & Company, one of the world's greatest banking houses.

In 1903 Senator Morrow married Miss Elizabeth Reeve Cutter of Cleveland, Ohio.

Senator Morrow's distinguished legal and banking career ended in 1927 when President Coolidge sent him on the diplomatic mission to Mexico City. His work there was brilliant and he is credited with inaugurating a new diplomacy and with tremendously improving Mexican-American relations. It was while on a visit to Mexico City that Colonel Lindbergh met Miss Anne Morrow. Their marriage was an event of international importance.

On November 4, 1930, Senator Morrow was elected to fill the unexpired term in the United States Senate of the Hon. Walter E. Edge, who is now the United States Ambassador to France. Senator Morrow was elected by an overwhelming vote after a stirring campaign in which most courageously he outlined his stand against the prohibition laws as they are now written on the statute books. It was confidently expected that he would lead in the Senate a fight

for a rational attitude toward prohibition.

In 1919 General John J. Pershing awarded to Senator Morrow the distinguished service medal for "exceptionally meritorious and distinguished services" in connection with military shipping matters and the Military Board of Allied supply.

With no ostentation Senator Morrow devoted much of his time and a considerable portion of his fortune to charity. He was a director of the New York Association for Improving the Condition of the Poor, a Director of the Commonwealth Fund and at one time served as Chairman of the New Jersey State Board of Institutions and Agencies. He was interested in prison reform. He was a trustee of Amherst College, of the Union Theological Seminary and the Russell Sage Foundation. He was a regent of the Smithsonian Institution.

During the trying days of the World War Senator Morrow was an adviser to the Allied Maritime Transport Council and he was a Director of the War Savings Commission of New Jersey. In 1925 he was a member of President Coolidge's Aircraft Board.

Despite the many demands on his time Senator Morrow was devoted to his family. The beautiful Morrow estate at Englewood is plunged in grief. Senator Morrow was the father of three daughters and one son.—United Press.

SHIPPING FIRMS IN ACCORD

San Francisco, Cal., Oct. 10.

It was understood here to-day that after a series of conferences between Mr. Kermit Roosevelt of the Roosevelt International Mercantile Marine Corporation and Mr. Stanley Dollar and other officials of the Dollar steamship interests an agreement has been reached regarding the long drawn-out struggle for the control of major American shipping combines.

It is stated that the Roosevelt International Mercantile Marine Corporation has agreed to permit the Dollar steamship interests to acquire the United States Lines from the United States Shipping Board and the Emergency Fleet Corporation.

In exchange for the agreement the Dollar interests would agree to withdraw from or entirely discontinue their intercoastal service. The trans-Pacific service of the Dollar interests would get new liners which are now being built.

It is understood that the details of the agreement reached by Messrs. Roosevelt and Dollar and other officials have yet to be ratified and that they must be considered by the Dawson interests. It is expected that a compromise plan will emerge from the bidding by the various interests for the United States Line, which has been controlled by the Chapman group.—United Press.

CHOLERA EPIDEMIC SUBSIDING

Basra, Oct. 10.

The epidemic of cholera which, after fluctuating virulence, is now exhausting itself, is considered the worst on record in Iraq.

There has been a total of 1,334 cases, of which 1,161 proved fatal. There were a thousand cases in Basra alone and 528 deaths. The epidemic, which is believed to have started on the borders of Persia and Baluchistan, reached Basra on August 8. The unwillingness of many of the victims to have themselves inoculated was largely responsible for the high number of deaths.—Reuter.

NAVAL UNREST

London, Oct. 6.

In the House of Commons to-day the First Lord of the Admiralty, Sir Austen Chamberlain, stated that it was not the intention of the Admiralty to set up any further committee of enquiry into the recent events in the Navy.

Representations made in regard to pay and pensions at the enquiries in home ports, together with the communications received from Commanders-in-Chief in foreign stations, had been the subject of careful consideration, and Fleet Orders announcing the decisions reached as a result of those representations had now been published.—Wireless through Reuter.

OBITUARY

Sir John Monash

Melbourne, Oct. 8.

The death has occurred, at the age of 66, of General Sir John Monash, who was Commander-in-Chief of the Australian forces in France in 1918.

Born in Melbourne in 1865, the deceased received his education in his native city, graduating in arts, engineering and law. In 1884 he assumed practice as a civil engineer in railway, road, bridge and water-supply design and construction. Six years later he began to specialise in reinforced concrete construction of all kinds and introduced this method into Victoria, Tasmania and south Australia.

Becoming a Lieutenant in the Australian Citizen Forces in 1887, he attained the rank of Major-General in 1916 and that of Lieutenant-General two years later. Last year he was made a General and retired. He received his knighthood in 1918.

At the outbreak of the War he was appointed chief censor for Australia. Then he became a brigade commander in the Australian Imperial Forces and Commanded the 3rd Australian Division in France from 1916 to 1918, when he was made Commander-in-Chief of the Australian forces.

The deceased held the G.C.M.G. and was a K.C.B. In addition he was awarded several foreign orders and decorations, including the Distinguished Service Medal of the United States.

Sir John Monash was president of the Australian Association for the Advancement of Sciences was the author of many papers on engineering subjects and wrote a book entitled "Australian Victories in France." He liked music, was an enthusiastic mountaineer and a keen gardener, while walking and motoring also occupied much of his time.—Reuter.

Mr. Charles Ricketts, R. A.

London, Oct. 8.

The death has occurred, at the age of 65, of Mr. Charles Ricketts, the noted painter, sculptor, engraver, writer on art, and designer for the stage.

Born at Geneva on October 2nd, 1866, Mr. Ricketts was educated in France and became joint editor, with Charles Shannon, of "The Dial" (1890-97). He was the founder of the Vale Press. During the course of his career, he was the designer of settings for King Lear, St. Joan, Henry VIII, and other stage plays; and was the author of "The Prado and its Masterpieces," "Titian," and "Pages on Art." He was elected to the Royal Academy in 1928.—Reuter.

Sir Bertram MacKenna

London, Oct. 12.

The death occurred to-day of the famous Australian sculptor Sir Bertram MacKenna at the age of 68. He was the sculptor of many works of art scattered throughout the British Empire.

Born at Melbourne in Victoria in 1863, he went to study art in Paris and afterwards went to London. During the course of his life he did statues of Queen Victoria for Australia and India and was responsible for the pediment of the new Government Buildings, Westminster. He will always be remembered as the designer of the British coinage for the reign of King George V and for his memorial tomb for King Edward VII at St. George's Chapel, Windsor. He did memorial statues of the late King for London, Calcutta, Melbourne and Adelaide. Some of his work was purchased under the Chantry Bequest and placed in the National Gallery.

He was elected an A.R.A. in 1909 and an R.A. in 1922.—Reuter.

NEW BATTALION FOR SHANGHAI

London, Oct. 11.

The 1st Battalion of the Lincolnshire Regiment, which is stationed at Gibraltar and earmarked for Shanghai, has received orders to sail on October 14, under the command of Colonel E. J. de C. Boys.

The War Office states that the movement of the Lincolnshires to Shanghai was announced in Army Orders a month ago, and is concerned with troop movements and that their going to Shanghai has nothing to do with the troubles in Manchuria.—Reuter.

All outstanding questions between Soviet Russia and Germany were settled on October 7 by signing an agreement at the last meeting of the Russo-German arbitration commission.

FROM THE FOUR WINDS

London Letter

CHINA ASSOCN. SILVER MEETING

Formation of Silver Association to Deal with Problem of White Metal

FROM OUR OWN CORRESPONDENT

London, Sept. 22.

A Silver Meeting was held to-day under the auspices of the China Association at the School of Oriental Studies. There was a large attendance. The object of the meeting was to form a Committee to go into the whole question of silver, and after addresses and discussion the following members were elected to form an Executive Committee of the larger Committee which consisted of the membership of the China Association:—

Sir Robert Horne, M.P.
Lord Hunsdon,
Mr. L. S. Amery, M.P.
Sir John Owen
Sir Arnold Wilson
Lord Lloyd
Lord Luke of Pavenham
Sir George Macdonagh
Mr. S. F. Mayers
Mr. H. D. G. Jones
Mr. J. S. Bruce
Lord Desborough
Mr. J. S. Wardlaw Milne, M.P.
Mr. Clive Balfour
Mr. W. S. Robinson
Mr. H. Rothbarth
Mr. J. F. Darling
Sir Roland Nugent
Mr. D. G. M. Bernard
Mr. Ernest Tennant
Mr. E. Boothby, M.P.
Sir W. C. Dampier,
Mr. S. S. Hamersley, M.P.
Sir John Power, Bt., M.P.

Mr. E. L. Franklin asked to be excused as he was on the International Board considering the question.

Mr. S. F. Mayers, the Chairman of the Association opened the proceedings and asked for the election of Sir Robert Horne as Chairman. He said the meeting had been convened by the China Association in order to bring together those who shared with the Association the view that the instability and depreciation of silver had been one of the most important factors in the serious economic troubles from which the world was suffering. The efforts which the China Association, acting in collaboration with the International Chamber of Commerce, had made during the current year to bring the subject of silver to the attention of H.M. Government, and other Governments had proved ineffective. Resolutions had been passed at various meetings of executive committees and conferences urging the subject of silver, its instability and its depreciation upon the attention of Governments but no action was taken by the Governments to which those resolutions had been submitted. At a time when interest in the subject had somewhat flagged it was a great satisfaction to see in the correspondence columns of "The Times" that there were men of prominence in this country who were disposed to join in urging the importance of the problem. The correspondence was initiated by Lord Hunsdon in July and was continued by Mr. Amery, Sir Robert Horne and many others, while the City columns also bore witness to the importance the paper attached to the subject. Special articles were also appearing in the "Financial Times" as further evidence of the more widespread interest.

Mr. Mayers regretted the absence of Lord Hunsdon who was ill and who was instrumental in arranging the present meeting and hoped to second the coming proposal for Sir Robert Horne to take the Chair. The China Association had expended much thought and study to the question of silver, and they now hoped that some remedial measure might be considered and formulated in the formation of the Committee.

Sir Robert Horne in taking the Chair said that at the time when the meeting had been projected it was not known that Britain was going to depart from the gold standard, and that perhaps the object of the assembly might be regarded as somewhat overshadowed by that startling occurrence. The events of the last few days, however, had only served to throw into a higher relief two of the facts which had been the means of directing the attention of many thoughtful minds to the question of silver. These two facts were, firstly, that three-quarters of the gold of the world was now in the possession of two of the nations of the world, while the other countries were being steadily denuded of

whatever meagre supplies they had; in the second place, if the evidence of the geological experts before such bodies as the Macmillan Committee was to be believed, not many years would elapse before we would find ourselves in the position of there not being enough gold in the world, however, well distributed, to facilitate the exchanges of commerce. These were two very important facts to keep in mind.

He pointed out that the object of the meeting was to urge the reconsideration of the whole problem of silver, to ask for a revival of views and to instigate Governments to consider what was the position of silver upon modern conditions. Mr. Snowden had said in the House of Commons on September 21 that he had, on behalf of the British Government, endeavoured to get other nations to agree to a conference upon the distribution of gold and that that suggestion had been somewhat discouraged. Sir Robert Horne, however, hoped that they were in a better position with regard to a conference on silver. It was only in the early part of 1931 that the Senate of the U.S.A. passed a unanimous resolution requesting the President to call a conference of the interested nations to consider the question of silver, and it was thought that President Hoover would not be unwilling to act upon the suggestion of the Senate, provided that he received sufficient encouragement from outside. Every economic theory which had been held in the past was now subject to scrutiny and there was nothing upon which men's minds were not open; experience had destroyed all preconceived theories of economics. Everyone had been led to revise their views and principles by the experience of the modern world and in trying to obtain remedies for a situation which was entirely unprecedented. Most of those present, the Chairman thought, believed that the proper use of silver to-day would do two things; it would mitigate the harshness of the decline of commodity prices in terms of gold, and it would restore the purchasing power of nearly half of the world's population.

Accordingly, the prospect of a conference upon silver, properly adjusted, would be something deserving their most earnest support. He stated that he was not going to argue the merits of any particular theory on this major and they were to be submitted later by Mr. Amery in a short resolution, which would deal with one particular aspect of the remedies which they were suggesting, but so far as he was concerned, he would attempt to give them the briefest possible resumé of the history of the events which had brought them to the position in which they found themselves to-day.

Sir Robert described at some length the silver position from early days. He pointed out that Britain became a monometallist with gold as its standard value in 1816 while the rest of the world, until 1873, carried on with sometimes silver and in some cases with both. In 1873 came the turning point in modern currencies. France paid to Germany an indemnity of £200,000,000 sterling in gold. The result was that Germany determined to adopt a gold standard and thereafter had lots of silver to sell. France being threatened with the flood of silver decided to close the mints and France with the Latin Union attached to her gradually went off the silver standard and was then followed by the U.S.A.

As a result you had the whole of Europe and the U.S.A. discarding silver, but the Orient remained faithful. In 1893 India closed her mints to silver and went on to the Gold Exchange stamp. In 1926 after the war under the guidance of the Royal Commission of which Sir Edward Hilton Young was Chairman it was decided to go on to a gold bullion standard and they had in consequence to sell vast quantities of silver something approaching 400,000,000 ounces. They were followed by French Indo China and as a consequence you had the silver market inundated with a vast quantity of unnatural production, so to speak, which depressed the market and which had constantly since then depressed

prices. That was intensified by the fact that many countries were selling demonetised silver of which Gt. Britain, Germany, France, Australia, Italy and making the substitute in the foul metal we were supplied with to-day. All these actions had the result of depressing the price of silver and in those countries like China and India where silver had constituted the store of value for centuries, the wealth of the people had been depleted and their purchasing power diminished. These consequences were not entirely unforeseen by the Royal Commission which dealt with Indian currency. They would find all the four consequences from which we were suffering were predicted in the Report. Sir Robert quoted passages from the Report showing the effect on India and China. These passages gave a complete picture of what had happened and what the Commissioners would never have allowed to happen had they thought they were indulging in a course which then seemed so modified it could not have brought the present dire results. Sir Robert said evidence was given by Mr. Montagu Norman and Sir Charles Addis well known experts said that any depreciation in the price of silver would inevitably affect gold prices throughout the world. That was one of our main contentions to-day. If silver stood at its previous value or if it could to-day be increased above the price at which it stands you would immediately have the effect of depreciating the value of gold and bringing about a rise in the cost of commodities. All the evil consequences which these people desired to avert had occurred. To-day the 50 per cent. more depreciation which horrified the Commissioners had taken place. So far as China was concerned—a country which was supposed to have a store of 7,000 million ounces of silver—it was easy to imagine the effect on a man which he saw his wealth affected to that degree.

All these consequences had followed upon the actions of Government. Many of them deprecated Government interference with trade and business and they made a mess of it when they did, but currency was a matter of Government. As Aristotle laid it down currency was an artificial thing created by Governments. Here they were to-day in very propitious circumstances for seeing some such remedy. In the U.S.A. action had already been taken. This question was vital to India and it was of vast importance to India that silver should be of as high a value as possible. It was of vital importance to this country struggling at the present because we had undertaken to guarantee India. The more we could raise the value of silver the more we fulfilled our responsibilities in this matter. It was no light matter to-day that we should have given those guarantees which the Prime Minister had always repeated in the House of Commons with regard to the position of India. We should be wise if we took action to alleviate the burdens as much as possible. The curious thing now was that interest was no longer confined to the people primarily interested as producers or otherwise. Now economists were discussing these subjects not in an added aspect but as a revised question with a British interest and the International Chambers of Commerce meeting in Paris submitted the question for submission to a Committee. He had received a letter from the International Institute at Brussels whose organisation was unanimously behind us that a large part of the world's disorders at the present time were due to the excessive demonetisation of silver. They knew what an appalling drop had occurred in silver due to the selling of demonetised silver. Before the war silver ranged for about 20 years between 2/2 and 2/6d. After the war it reached 5/4d.; in 1926 it was 2/4d. The following year it fell to about 2/2d, afterwards to about 2/- and now it stood between 12d and 13d. What a destruction of the vast amount of the wealth of the world, through artificial agents which might never have operated in that direction.

What, asked Sir Robert, was said in reply to any suggestion that something should be done to put the wealth of the world back into something more like its normal position was that if you did anything to increase the price of silver there would be such a glut of it produced that you would never be able to hold it at a level. That was a complete fallacy. It presupposed an assumption that silver in relation to gold had been produced in recent times in a far greater ratio than previously and that it was possible by any device so to encourage the production that you would have a

vast quantity of it. But if you looked back you would find there was no extravagant production of silver, and one of the most remarkable things about this whole matter were the circumstances which almost looked as if designed by Providence. The production of silver and gold had kept in a ratio which had been remarkably constant. For 400 years the ratio of production of silver and gold was roughly 14½ ounces of silver to one ounce of gold, and during the last fifty years that ratio had been on the average 12.4 ounces of silver. He ventured to say there was no reason at all for supposing that any slight increase of silver such as any of them could contemplate was going to produce any extravagant flow of silver from the mines. Even if it was so there were ways in which such a situation could be used to the advantage of the Governments in the countries where it was produced and there was no more ingenious way than Mr. Darling had previously put forward.

Those were the conditions at the present time. He was not going to discuss which was the best of the remedies. Some people said all that was needed were arrangements between Governments to say demonetised silver should not be sold at less than a certain price; you could do that; others suggested that the Governments of the leading countries should make silver part of their reserves; you could also do that, and again there were some more enthusiastic and he was inclined to be one of them who believed that the ultimate thing which would serve the world best, particularly in view of the scarcity of gold, would be to have an arrangement whereby you renounced silver and fixed it in some ratio to gold. Whatever of these views you adopted and the purpose of the proposed Committee was to investigate it, at any rate they were of world value. He believed that if we achieved the object and aim to-day it might very well prove, to be the stimulus which the world required for the purpose of obtaining an improvement in commodity prices and reviving hope in the trade of the world.

Mr. L. S. Amery referred to the comprehensive exposition given by Sir Robert Horne, and said that before handing the resolution to the meeting he would like to make just a few observations. Sir Robert Horne had reminded them that the meeting had been convened before Britain had gone off the gold standard, and it seemed to him (Mr. Amery) that that fact added greatly to the importance of their deliberations, and it was essential and imperative that if we were off the gold standard, we should neglect no step which could maintain the strength and stability of sterling and which would enable us as at the moment of our choice to come back at the figure of our choice on to the gold standard. From the point of view of maintaining the strength of sterling and preventing it from falling uncontrolled to very dangerous figures, it was necessary to ensure the effective control of our imports, but no less important was the effective strengthening of our exports. From that point of view there were no markets of greater immediate—and still greater potential—capacity than the markets of the East, markets whose purchasing capacity has been practically halved by the fall of silver in the last two or three years. Any measure, therefore, be taken that would strengthen the price of silver would, by increasing our exports to the silver-using world, strengthen the position of sterling. The Chairman had also referred to what Sir Charles Addis and Mr. Montagu Norman mentioned as to the indirect effects of depreciated silver upon gold prices. There again any measure that raised the price of silver, which strengthened the sales of the whole world to the East, which checked the involuntary dumping of cheap primary products on to the gold-using world or silver-using countries, would counteract the continuous downward drift of prices in the gold-using world, and therefore also help to bring gold and sterling closer together by counteracting this excessive overvaluation of gold. Again from the point of view of our present situation we did naturally contemplate a restoration of a definite relationship between sterling and gold. Indeed, however far the most advanced countries of the world could go in largely disposing with a metallic basis for their own domestic purposes, yet as far as could be foreseen, for the purposes of international exchange and for the support of currency in the more backward regions of the world, the precious metals would be required to be used for many a

long year to come. If that were the case, then in re-establishing a more orderly monetary basis for the world, it was necessary to consider not only a correction of the present mal-distribution of gold but the future adequacy of gold to world requirements. The Gold Commission of the League of Nations, and its views had been fortified by elaborate independent enquiries, indicated that to maintain a stable price level for the world, something like a 3 per cent. increase in world's metallic currency was necessary. The gold production was already 16 millions a year short and would be nearer 50 millions a year short by 1940. It was a significant fact that if it were possible to supplement the shortage of gold by silver, and the price of silver would have to be taken fully three times as high as the present price, they would then barely cover the actual prospective deficiency in the world's supply of metallic currency. He entirely agreed with the Chairman that the idea of there being an unlimited amount of silver available to be dumped on the market were prices slightly increased, was a pure myth. The fact that 75 per cent. of silver was a by-product of other ordinary base metals made any such increase in its production impossible.

In suggesting that silver should enter permanently into the field of the world's monetary basis, Mr. Amery said he was not committing himself or those present, nor was he doing so in the resolution he was going to read, to any particular bi-metallic scheme or any fixed ratio prices. It would be quite sufficient for that purpose if the more important Central Banks in the world were authorised to keep some reasonable proportion of their currency reserve in silver at the market price. It was not only important that we should aim at securing an organised monetary system for world, but even more important to aim at securing such a monetary system for the British Empire instead of continuing in that state of monetary chaos to which the Empire had been reduced. That subject was raised at the Imperial Conference of 1923, but had been brushed aside because we were then shortly going back on to the gold standard and it was considered that this would solve all difficulties for ever. Now we were off the gold standard we could very well consider seriously why such a disastrous break of trade to both parties had occurred. Between Australia and this country as had occurred in the last year or two. If we were to have a monetary system for the British Empire in the first instance—that Empire of which India was not the least part, that Empire which through Hongkong, through the Straits Settlements and through Shanghai had an immense interest in the development of China—no Imperial system could meet the situation that did not find some recognised place of importance for silver.

Mr. Amery referred to the Chairman's statement that the present position of silver had resulted not from natural causes but from Government actions. What Governments had done they could undo. More than that; what Governments had done so lightly was not going to be difficult for Governments to undo. Since the War the production of silver had been short of the world's demand for silver by some 328 million ounces. The surplus which had brought about this terrible fall had been due to the sale of 408 million ounces by Governments, and the last great fall of the last three years had been due to a sale by Governments, chiefly the Government of India, and French Indo-China, which only represented at an average price some £15 millions. The amount of expenditure that would be required to bring back silver to a figure that would alter the whole outlook of the world was a trifle. If the Government of India and the Bank of England got together to-morrow, and the Government of India testified that it would sell no silver under 2/- an ounce, and the Bank of England were authorised to increase its present holding from £4½ millions to £15 millions, that alone would there and then in an afternoon alter the whole position of the world's trade. That, to his mind, made it all the more certain that if the Governments mainly interested, the Government more particularly of Canada—a silver producer—the Government of U.S.A. and that of Mexico, the biggest pure silver producer in the world, these Governments if they got together could within a week he believed, produce an effect which no other scheme, no other conference of Governments could produce so immediately.

He did not for a moment suggest that re-establishing the price of

silver could solve all the world's monetary difficulties, and there were many other difficulties still to be settled. Anything which could be done, however, to raise the price of silver and incidentally to spread the strain upon the reduced gold reserves of the world, these measures would do more and do it more rapidly than anything else which could at this moment be devised. The effect would be immediate in its revival of our trade and the world trade in the Far East, the steadying of the appalling downward drift of world prices. It would at the same time give the Central Banks of the world some elasticity in their monetary reserves, to enable them to look round while in consultation with the powers of the world, which could frame something a little less irrational than the situation which had brought us in the last two or three years to the present pass, and it was for these reasons that he would like to submit the following resolution:

"That this meeting states its convictions that the raising of the price of silver and its restoration to a place in the world's monetary system offers the quickest and most effective remedy to the present disastrous fall in prices, and expresses the hope that the Governments principally concerned will at the earliest possible moment confer with this object in view."

Mr. Amery concluded by saying that if the resolution were passed he would suggest they communicated it to the various Governments principally concerned in the matter. Mr. Mayers in seconding the resolution said that what Mr. Amery had said was largely the views of the China Association.

Sir Hugo Cunliffe Owen on being asked to speak said that Sir Robert Horne and Mr. Amery had stated the position with regard to silver with such clearness that there remained nothing to be said as to the advisability, nay, the necessity of stabilising this metal which was the basis of value of three fifths of the world's population. He could give them statistics but nothing that he could say would add to what Sir Robert Horne and Mr. Amery had so ably stated. He would merely like to emphasise the point that there was and had been no over production of silver in the world in the last decade. On the contrary, as Mr. Amery had pointed out, the production of silver in the world in the last decade had been less than the consumption of the world for the arts, for coinage, for India and China. Gt. Britain and India were the main cause of the fall that had taken place in the price of silver by dumping on to the market the silver obtained from demonetisation here and in India. He would like to add what was, he thought, not generally realised, that four Corporations in America controlled 90 per cent. of the output of silver of the American Continent and in fact 67½ per cent. of the world's output of silver. There was a vast body of opinion in America, in Canada, in Mexico and here in favour of tackling this silver question which could be tackled, as Mr. Amery had so ably pointed out with ease, and he begged all in the room to use every effort in their power by talking, by propaganda and in every other way to focus public opinion and to get this much needed Conference called.

Lord Lloyd said he was much more concerned with the political and moral effects which a change such as advocated might rapidly have upon the troubled situation in the Far East and in India. We saw ourselves to-day burdened with a dark outlook causing great expense, great political, embarrassment all over the East and bringing our name to great disrepute as a governing power. He believed much of the trouble from which we were suffering was due to our own folly and lack of understanding of financial needs and the hardships and burdens of people in the East. That was why he was there. He was persuaded that anything which had given such hardship to their people in the East and had so heavily reduced the value of their savings was one which needed their immediate attention.

Mr. Wardlaw Milne said he wished to support Lord Lloyd entirely with regard to the political effects which would follow the movements which they were inaugurating, although he hesitated to say he thought that a change in the financial and currency policy in the East might do far more for India than even the Round Table Conference, and it might do more for China than all the action taken by all the Governments of the world in putting to an end the endless strife which was going on there. He had heard during the last few days a continual statement that the world was suffering from over-production, but he did not believe that there could be such a thing as over-pro-

duction when there were millions of people in the world underfed and underclothed. What was wrong was that the medium of exchange had utterly failed. It was true that the total production of silver had only been recently about 16 million ounces a year, and that India and China alone required nearly 200 millions, so it was perfectly clear that they were not likely to clear in the near future from any over-production of silver in the world. He believed that initiative must come from the Governments concerned, but he believed that it was public opinion which counted behind Governments, and he was not at all sure that he would wait international action. The British Empire could act and would and the rest of the world would have to follow. It was perfectly clear to anybody who had studied the question that the strain which they had put upon the so-called gold standard was impossible to bear. It might have borne the weight and burden of international trade after the War, but it certainly could not bear that combined with the pressure of the payment of War debts. He believed that that day they had inaugurated a movement which would do more than any movement thought of in the City of London to bring back prosperity to Great Britain, to the Empire, and in the end to the world.

Mr. Maxwell Roikie, of the Manchester Chamber of Commerce who attended the meeting to give the views of Manchester said he and a colleague had come to back up with all their strength this enquiry into the silver problem. There were only a few people who could do this thing if they tried to do it. In the past they had thought too much of the disadvantages and not of the advantages. They in Manchester also thought that trade was much more important than currency.

The resolution was carried unanimously, whereupon the Chairman said it was suggested they should form themselves into a Silver Association whose object was to be very widely to deal with the problem of silver. If they were agreeable they would form the Executive Committee. This was also carried and the names passed. The Committee is to meet very shortly, when a Secretary would be appointed and no doubt sub-committees would be formed.

A dramatic announcement that an amnesty had been granted to all political prisoners in Kashmir under trial for offences against the state was made at a Durbar held in Srinagar to celebrate the 36th birthday of the Maharajah.

The Foreign Office announces that from Oct. 19 the fees chargeable for the issue of British passports will be increased from 7/6 to 15/- and for the renewal of passports from 1/- to 2/- for each year of renewal.

In view of the indecisive result of its recent ballot, the Federation of Master Cotton Spinners Associations has decided to abandon its much-cavanned scheme, the aim of which was to deal with redundant mill and machinery, to stabilise the margin of profit on yarns and to prevent cotton yarns being sold at uneconomic prices.

Dr. Vissering, Governor of the Bank of Netherlands, resigned suddenly on October 7, and was replaced immediately by the former president of the Bank of Java, Dr. Trip. Dr. Vissering's retirement was publicly ascribed to health reasons, but there is a strong belief that it was not altogether voluntary. His handling of the situation after the pound sterling slump and the fact that the Bank of Netherlands found itself with a vast sum of sterling on hand are said to have met with strong criticism on the part of the board of directors.

There probably will be six and a half million unemployed persons in Germany during the coming winter. This depressing statement is made in an announcement explaining the necessity for a new emergency decree issued on October 6. This decree provides that the "dole" may be given partly in foodstuffs instead of cash.

The existing depression in Britain has a silver lining. Because the price of food, travel, entertainment and commodities is now more favourable to foreign visitors, the Travel Association of Great Britain and Ireland intends to make an intensive effort to encourage tourists to make the British Isles their "happy hunting ground."

SPECIAL ARTICLES

INCONSEQUENCES

BY LATRATOR

The value of women seems to be a topical subject. There is that will of the ex-Shah of Persia who, according to the judgment of a tearful correspondent, rated his wives at an unduly low figure. The decision of the National Government in Great Britain in regard to the marriage allowance under the income-tax runs the other way. "Truth's" incorrigible Pepsys is indignant:

What likes me least about it is this demitition of the allowances for wives from £225 to £150; they being a man's most expensive item at any time, and now every wife is to cost her husband £18.15s. more than she used to. But the question in many cases (though I do not say in mine) is, Is she worth it?

Australia is proceeding to make bachelors pay more for the privilege of their single state; so the perplexity of the detached observer increases. There is the view of the highly devout and learned Pandit of a certain village in India who bemoaned the death of his wife on the ground that it involved him in the extra expense of engaging a domestic help at the magnificent wage of 1s. 6d. a day to perform household duties which cost him less than half that figure in his wife's life time.

Perhaps it would be hardly tactful to develop this argument. It could promote so much dissension in households. Still the tendencies of the age cannot be ignored even by the most thorough-going pessimist. In these days women have come into what is popularly known as their own. Yet it is precisely in these days that they have to be exposed to the dubious compliment of the beauty competition. They have "popularity" contests. Other devices for convincing the world in general that their qualities of face and heart have a definite value. Yet, it may be supposed that they would strongly resent the idea that the Nottingham Fair should revive the marriage market. They would scorn the picturesque glamour of the Sipi Fair. That fair still holds the affections of dwellers among the pines and deodars of the Himalayan pleasaunces surrounding Simla. Some time in June—or thereabouts—the little village, nestling down in a well-clothed valley, is visited from near and far. Hill-maidens in their gayest attire—slim, dark-eyed, olive-skinned holding themselves as only the hill-woman can—gather together and are on view for the inspection of the menfolk of the country round. There is no purdah, no shyness about them. They are demure, roguish and, yet, despite their acceptance of the custom of wife-purchase, entirely modest.

It is by no means certain that the would-be purchaser can have whatever maiden he selects. Her choice, in some devious fashion, enters into the transaction. This is evident when the lady knows her charms are beyond those of the ordinary run of her sisters. She is not puffed-up or catty about it. She simply takes advantage of the circumstance to be a little bit particular about the man who sets out to buy her. So in point of fact she does not go to the highest bidder but to the hillman who appears, in her shrewd eyes, to be the most acceptable husband.

Sipi, they say, is gradually dropping the idea of purchase outright. Money may change hands but more and more, the maidens are allowed to disregard figures and let themselves be chosen by their own fancy. And, it will be admitted, that their western sisters, even to-day, are not so free. At all events, from fragrant Himalayan hillside, with its odour of the log-fire the scene of the pines and the restful

sound of the hidden waterfall, it is a far cry to the slave-market of Arabia or the cabaret of Shanghai.

It would startle many if they were told that, in the old days, a similar system prevailed among the western folk sojourning in the East. Yet what of the ships which used to bring from Europe young women for whom the prospect of matrimony to one of their own race was the cause of their braving the terrors of the long sea voyage. In the settlements dances and entertainments were arranged in order that the newcomers might decorously meet their prospective partners in life. At the end of the season the unmarried ladies would philosophically take their journey back to the places from which they came. In Calcutta—it is even rumoured that Shanghai had a similar custom—a grand ball was given for the express purpose of, what the West-end draper would call, disposing of the remnants.

Nor were the matches any more liable to disappointment than those contracted in less haphazard fashion. There are indeed several stories of "bride" ships which brought not the "fishing fleet" but the more modern and seemingly cargo of officially engaged young women and, owing to the defection of a supposedly waiting fiancé, have been compelled to land a lonely, if jilted, girl and she has been considerably taken over on strictly honourable lines with

Enter the autumn; in the crisp of dawn
Horsemen perform their mystic rites
Ford murmurs "up the rates;" why can't he pawn
Feetman's good cut for parking sites?
The taxi improved but still we all complain
Cash is as scarce as referees
We wonder if we'll be the same again
When Luna Park for dogs shows fleas.
Talking of dogs, they say that, in the courts,
Much eloquence has stirred the air,
But men are asking: what's the breed called torts
And how tort-feasors chase the hare?
"Is Zat So?" Never mind; while Shanghai burns
Kryger will fiddle. In great hope
To Burton Sayer for news the pressman turns;
He, sure, will get the proper dope.
In wearing breeches, beach or otherwise,
Women now stress their role. A
Futile protest mere man sends to the skies
Pray make them leave us our bowler;
And now this painful must be cut short
Lest indignant hymns of hate or
Fierce mockery should make this journal court
The suppression of Latrator.

PSYCHOLOGY OF THE BOYCOTT

Views of a Prominent Japanese Business Man: Effect on International Obligations

The following is a paper which was to have been read at the Kyoto Conference of 1929. Its author now sends it for publication. The views which it expresses are of topical interest and presented without carrying editorial endorsement from the "North-China Daily News."

BY T. FUNATSU

Author's Note (Oct. 7, 1931). During the thirty odd years of my life in China I have always been trying hard in my own humble way to bring about an amity and a mutual understanding between China and Japan. Nothing is therefore more regrettable for me than to see the Sino-Japanese relation, which was marked with an intimacy on the whole in the Manchu Dynasty in spite of a war the two countries waged, come to be alienated by degrees, one trouble taking place on the heels of another subsequently to the foundation of the Republic of China.

In recent years whenever there arose any difference between China and Japan the former was in the habit of adopting a boycott campaign as the last resort without first taking that trouble of ascertaining whether the difference can be settled or not diplomatically. A weak nation will naturally make use of boycott campaign against a stronger nation, but nevertheless the campaign would prove itself a deadly weapon for retaliatory purposes when placed in the hands of China and assumed the usual form of severance of economic relations as may be judged from the extent of harm being done to the Japanese business circles to-day.

The Wanpaoshan incident occurred on July the 9th, and only five

entirely satisfactory results to both parties.

That, of course, seems to disprove Pepsy's theory. Women may be more valuable than the Pandit or the diarist believes after all. It is a very confused business. Discussion of it is apt to lead to misunderstandings, but in so wayward a column as this there should be no fear of any such contretemps as comments inconsequential are never mischievous and claim no profundity except in those who very properly condemn them.

There can be no political prejudice here. The value of women in politics varies plainly according to their family commitments. A woman M.P. who can declare herself free of masculine entanglements, except those entirely separated from her parliamentary duties is an asset as valuable as that of any man beside or opposite to her. What of the woman who sits in the house and has there too a father, a husband or a brother. Data are not sufficient to guide an accurate answer. Lady Cynthia Mosley and Miss Lloyd George must depress their sex. Their political opinions seem merely to give their menfolk a double vote and leave it at that. Nor does Lady Astor—with a husband in the House of Lords—or the Duchess of Atholl in the same position carry the point much further. But then if it were elaborated this column might become too charged with serious political theories and so let the woman M.P. be left to her own devices.

Let that doggerel Pegasus be released from his stable where he has been kept so long:

have recourse to this practice as a means of retaliation whenever she has failed to hold up her claims in an international wrangle. During the years 1926 and 1927 Great Britain was made a target of the boycott movement of a most severe character. The writer happened to sojourn on business at Hankow in the winter of the year 1926, soon after Nationalist Expeditionary Army marched into the city, the wide stretch of tract along the river Yangtze down to Nanking having just come under their influence.

Every available place at Hankow was taken advantage of by the Expeditionary Army to post bills urging overthrow of Chang Tso-lin clique and defeat of British imperialism. Side by side with these bills there were noticed in large numbers those in praise of Borodin and advocacy of Sino-Russian alliance. The Expeditionary Army was then being fully occupied with the task of disseminating anti-British sentiment as far as possible. In other words, at that time in full swing was "Discontinuance of Economic Relations" with Great Britain. On the occasion of the despatch of Japanese troops to Tsinan in 1927, in order to protect the lives and properties of the Japanese residents there, boycott movement against goods made in Japan played an important part. The anti-Japanese sentiment thereby caused failed to subside until the last year, when consequent upon the second despatch of troops the boycott movement came to be enforced in a manner more determined than ever before.

Subsequently to full dissemination of anti-Japanese sentiment the Nationalist Party Headquarters took under their wing the anti-Japanese Associations and National Relief Associations that had been organised in different districts. In consequence the boycott movement began to be carried out most systematically, universally and whole-heartedly. Besides invested with official authority as well as markedly increased punitive power the boycott movement then achieved for the first time a more or less satisfactory result.

Hitherto the prime mover of the boycott movement was limited to politicians with selfish intent, merchants interested, and students ready to take part at the instigation of these people, that it was usual to see the boycott movement die away quietly after a somewhat precarious existence owing to change in political situation and so forth. To-day there has been added central prime mover in the form of Nationalist Party members, who are all paid agents. That is why the boycott movement of these days is marked with permanency. Further features are imposition of heavy fines, and confiscation of merchandise whenever any one has violated the stipulations formulated for the handling of goods made in Japan. In the extreme cases the violator now dubbed "traitor," "rebel," "running dog," and the like is subjected to every sort and kind of personal insult and humiliation by being taken round the city street or put in wooden cage by way of demonstration, so much so that the sight makes one sick with disgust. The writer refrains from quoting here actual instances of these features since it is really hard to give their details in an abbreviated way.

Thus, Anti-Japanese Associations and National Relief Associations each one of which is a private organisation, taking the law into their own hands, promulgate many regulations, and meet out severe punishment to violators just as they like in concert with police force, local officials and military authorities. No wonder that the boycott movement is crowned with immediate success in the districts under the direct leadership of Nationalist Government. Another essential factor, which should not be overlooked, is newspaper, and similar public organs, almost all of whom are forced to guarantee allegiance to the Nationalist Government. At the instance of the Nationalist Government the public organs engage on propaganda work, worked in the extreme against a certain country, as otherwise they are sure to expose themselves to the displeasure of the Nationalist Government.

For example, the Japanese are called in newspapers and so forth "barbarians," "wooden clog," "wolfish neighbour," "greedy capitalist," "arch-enemy," "inferior goods" and a few more, bad enough to stimulate anti-Japanese sentiment in the general public. The propaganda

work has contributed much, the writer thinks, in making anti-Japanese sentiment this time to be understood to an extent that has never been observed before. At present the Nationalist Government (strictly speaking Nationalist Party Headquarters, but there is no definite difference between the two, because the latter invested with the highest possible authority exercises supervision over the former) is busy with the work of teaching "Discontinuance of Economic Relations" with Japan not only to the general public but also to school children. It can safely be said that the teaching should jeopardize extremely national relation between China and Japan disturbing the peaceful atmosphere in the Far East to-day.

As stated under one of the preceding headings, in the event of Discontinuance of Economic Relations being declared, relation between two nations is severed economically. Since however China is wont to name Japan an enemy whenever such is the case, so long as Anti-Japanese Boycott movement is in progress the nations concerned are at war deprived of military arms as a matter of fact—namely Chinese Government in common with a section of its subjects is taking hostile action against Japan to the total violation of Commercial Treaties in existence. Moreover the weaker nations used to regard as the last resort such a hostile action, which is tantamount to military movements being launched by a powerful country. The writer would wish to learn from those well versed in this line of affairs as to whether the violation so evident is really permissible in the light of international morality.

That China makes a point to enforce Discontinuance of Economic Relations in a last and retaliatory effort when her claims have been turned down in an international conference is but clear as evidenced by several facts witnessed in the past. A few years back Britain fell a victim to the practice, and Japan is made a victim of at this moment. The practice is beyond doubt unreasonable and unmoral from the point of view of international morality.

Placing ourselves however in China's position nothing could be more natural than to resort to a retaliatory means whatever it may be when a country's claims have been rejected in spite of her belief in their reasonableness, provided that she is quite sure pressure brought on her by another country is too strong for the claims to be carried through. It is nevertheless entirely another question whether China's claims have always been reasonable or not.

The case in point is not far to seek. The year before last saw the despatch of British troops to Shanghai simply because Chinese government was not in a position to supply proper protection of foreign residents and properties. The British Government were fully justified in sending warships in addition to troops, as self protection formed the chief requirement that drew their serious consideration. The Chinese government think the incident the inexcusable infringement of China's autonomy however.

Self protection was likewise the sole motive that caused the Japanese Government to despatch troops to Tsinan, as the Government learned a lesson through bitter experience at Nanking in 1927, when the city was made the scene of widespread disturbance and all of the Japanese residents who sought shelter in the consulate were subjected to unspeakable humiliation. The military engagement that took place between Chinese and Japanese troops which served to no useful purposes, was quite an unhappy affair that had not been even dreamed of by the Japanese Government. The Chinese Government regard again this incident as the infringement of China's autonomy, putting all blame for it at the door of Japan.

At the moment the national relation between Japan and China is far from being amicable, and in fact in some quarters fear is entertained of no distant outbreak of conflict between the two nations at the slightest provocation of some kind or another. The writer is sorry to say his cogitation over the matter has not brought forth any worthy method, through the application of which the present difficulties might be disposed of peacefully, and so he concludes this paper by asking kindly his fellow delegates to the Institute of Pacific Relations for assistance for the satisfactory solution of the difficulties.



A CHINESE HEROINE

2,300 YEARS AGO.

BY EDWARD WHAIN.

Shu Chiang (Mrs. Wu Lien-teh) has produced for English readers a most delightful account of the story of the famous Chinese beauty Hsi Shih. "The Beauty of Beauty." This romance of ancient China which has just been published by Messrs. Kelly & Walsh, reveals, as Mrs. Wu Lien-teh says, the conservatism, fidelity and virtue in which lie a wealth of sublime and feminine qualities worthy of respect even though they are now observed at a distance of 2,300 years.

When the Hangchow Bore rushes fiercely up the river, tradition has it that it is the spirit of Wu Tzu-hsu hovering over the waters and menacing his old enemies with his vengeful wrath. Wu Tzu-hsu was a great patriot. He was the second minister of Fu Chai, King of Wu, now Kiangsu Province. The King of Wu had put in a state of vassalage the King of Yueh (Chekiang). In order to obtain revenge and ruin Fu Chai, Kou Chien, the King of Yueh, deliberately selected two beautiful maidens, trained them in all the arts of allurements, sent them to his rival, and so encompassed the ruin of Wu and the ultimate victory of Yueh. It was Wu Tzu-hsu alone who stood in the way of this cunning plot. He had been the trusted Viceroy of Fu Chai, and he steadily endeavored to prevent the reckless Fu Chai from being lured into paths of extravagance and misgovernment which lost him his people's respect and eventually brought about his ruin. It was when Wu was on the edge of the precipice that the old patriot Wu Tzu-hsu stood as the one bulwark of stability and ordered government. The infatuated king listened to the insidiously studied suggestions of his beautiful tyrant and secured the decapitation of his trusted minister. That is going a long way ahead, in fact it is dipping into the end of the story instead of beginning at the beginning. For the story really turns on the sacrifice of Hsi Shih, a simple peasant girl of surpassing beauty, whose fame reached the court of Kou Chien just when he was planning the treachery for the downfall of Fu Chai. At the age of sixteen this is the description of her:

".....So beautiful was she, no flower was fairer, and her complexion was said to rival the moon. Under lovely arched eyebrows, her sparkling eyes danced and smiled with a charm that set fire to every amorous heart; her pearly teeth were set in a dainty mouth with cherry lips which spoke of unceasing joy and mirth. Her raven hair was long and glossy, her nose classical, her cheeks rosy and her hands slender, with fingers fine and pointed like a bamboo shoot. When she walked, her slim body swayed with the willow's grace so exquisitely moulded was she....."

Now King Kou Chien had a crafty minister named Wen Chung, who planned to corrupt Po Pi, the prime minister of Wu and induce him to introduce to his King "a present of beautiful and accomplished damsels, hoping thereby to wreck his steadiness in state affairs and later on to sow seeds of dissension throughout the enemy land." The scheme was approved. There remained to select the ladies. The idea was to choose the principal charmer and give her a companion as a second string. A suitable emissary was sent to Hsi Shih's father and he was explained to him what was required of his daughter. Presented with the King's written command, the trembling father explained that the elevation of his daughter would mean wealth and power to his family.

".....The father thanked him profusely and before long Fan Li prevailed upon the now proud parents to allow their daughter to be sent to court without delay. The next day, an escort and several attendants brought silver, silk clothes and many other valuable presents to the Shih household, and the fortunate daughter was urged to prepare for her journey to the capital. It was not without profound regret that the rustic parents yielded to the King's order....."

The sworn sister for Hsi Shih was also quickly secured, in fact she was a bosom friend of the lady, a handsome girl called Cheng Tan, whose simple heart was by no means at ease in contemplation of the adventure on which she and her friend were embarked:

".....Although a great future was promised her, with tear-dimmed eyes she said to the other, 'Dear sister, your radiant beauty has brought you fame and fortune but why trouble your good self to bring me hither when I am inferior in every way as compared with you? I miss immensely my home, its freedom and the affection of my family now so far away. All considered, can you

wonder at my anxiety and homesickness?' Hsi Shih's tender heart was touched by her friend's lamentations, so soothing the latter's hair she consoled her with these sympathetic words: 'My beloved sister, why indulge in such a melancholy mood? You are my closest comrade, and I have missed you very much since I left Chu-ho. Your presence here has brought me little pleasure and consolation to me and will, I trust, result in mutual benefit to us both. It is not strange that we should feel homesick in our new environment but time is a wonderful remedy for human sorrow. Somehow I feel that fate has much in store for us. The greatest blessing nature can bestow upon a girl is beauty and this you have, combined with literary talent, which is indeed rare. So you are indeed fortunate and must make the best use of this promising life of yours. Why conceal ourselves in a village where one may only meet shepherds, farmers or others of no great consequence? There our gifts will be wasted and finally buried in a nameless tomb. I know that sometimes throughout life's journey there arises a vision of lofty hope and promise and we are both yet in the



sweet spring time of youth. I believe it is the decree of high Heaven that we have been chosen to occupy this new sphere of usefulness. One day we may perform a great service to our country, and thus become immortalized in history. So my beloved friend I pledge my devotion to you as a true sister and since circumstances have brought us together, let us comfort each other and drive away sorrow and loneliness."

The two girls were duly taken to court and trained in scholarship and the art of fascination, and when they had learnt every known device of allurements and seductiveness and the whole plan had been thoroughly examined so that no loophole existed, they duly became the centre of a large retinue setting plished damsels, hoping thereby to win on the mission to the court of Wu. But before they went these national heroines were presented to the public gaze on the tall Phoenix Tower, attired in gorgeous flowing robes and wearing elegant ornaments on their picturesque head-dresses, done in cloud-cluster fashion:

".....Daily they sat side by side on the tall Phoenix Tower facing the good-looking crowd and gazing continually forward and feasting their eyes upon the two lovely occupants, whose mission if successful would mean final delivery from bondage of their beloved motherland. Word was passed from mouth to mouth and practically the entire population of the city had visited the palace surroundings and viewed and acclaimed the two chosen girls as the most perfect of their sex."

At the first meeting with the man she was to betray, Hsi Shih encountered quickly the perils of her occupation. Unused to the effect of alcohol, she unwittingly revealed the fact that she was an instrument of vengeance. With great resourcefulness she turned this discovery into her first attack on the King's affection for his minister, Tzu-hsu, whom she knew at once was her chief enemy. Then came the rapid days of King Fu Chai's infatuation. It was soon marked by tragedy, for Cheng Tan, outshone by her sister, was neglected and pined away, much to Hsi Shih's remorse. It was fitting that the memory of this cultured and no less devoted daughter of her country should be honoured, and so she was duly buried with the posthumous title of a lady of royal rank.

Hsi Shih did her deadly work only too well. She made her royal lover spend money like water, with the result that his kingdom rapidly became enfeebled and burdened by

debt and all kinds of misery. The King was unmindful of the warning of his rapidly emptying coffers and he only thought of planning further delights for Hsi Shih at the cost of imposing further hardships on the people. When Hsi Shih felt the time was ripe, she gave warning to the King of Yueh, and with the trusty patriot, Wu Tzu-hsu, out of the way, as already described, there was nothing to prevent the rival army from marching on the capital of Wu and making a prisoner of the defeated king, who committed suicide when he found in what ruin he was involved and that Hsi Shih had deserted him.

The story goes that Fan Li, the minister who had been sent to select Hsi Shih, fell in love with her during the period of her training as court beauty. And there are two endings to this story, one, which is held to be the more probable, and that is that Hsi Shih, having done all that her country wanted of her, felt that it was incumbent upon her to pay tribute to the love which, with all its follies and direful consequences, had been a man's great love. So she refused to listen to any plans for her future happiness, and plunged into the river of Wu as a tardy act of recompense to the man whom she had betrayed. The other story attributes to Hsi Shih a steadfast affection for Fan Li and maintains that she married him and lived happily ever after. Whichever story is correct, Hsi Shih was undoubtedly a heroine and her place in Chinese history is assured for all time:

".....Though the ancestral altars of Wu and Yueh and the people of this fascinating period have long since crumbled into dust, the immortal Hsi Shih, having bequeathed to posterity a romance of flaming heroism, still lives in the hearts of every one as the example par excellence of all that is best and bravest in woman."

That is the tribute paid to her, and who can deny that it is well deserved?

Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF OCTOBER 13, 1871.

The bad weather has necessitated the postponement of the Cricket match, "Mi-ho-longus v. The World" which was to have come off on Saturday.

Hongkong papers brought by the Australia contain little news of interest. From the report of the Australia, it will be seen that she experienced very bad weather on her voyage from Singapore to Hongkong, and as we had already learned by telegraph, had to put back on her first start from the latter port for Shanghai.

A seaman belonging to one of H.M. ships in harbour was accidentally drowned last evening about 7.30 by walking over the Customs' Jetty while going off to his ship. An officer of the Juno seeing him walking hurriedly and apparently going too far, shouted to him to take care, but the warning was too late. Several sampans put off to render assistance, but the man sank before they reached him. To those who saw him pass on the Jetty, he appeared to have been perfectly sober.

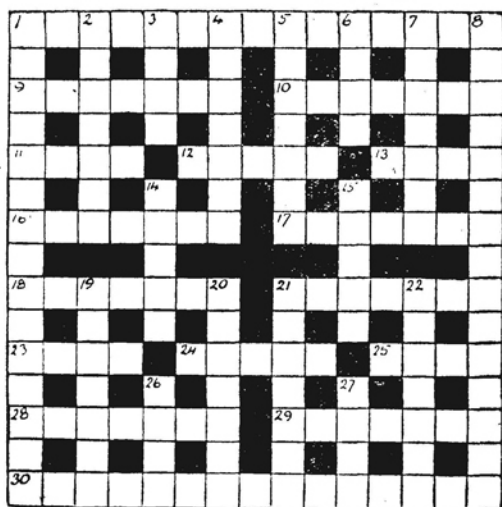
The British ship New York left Bangkok for Hongkong on or about May 28. She has not since been heard of. The fair presumption therefore is that she has foundered. We understand that the underwriters are so far of the opinion that she is lost.

More than 2,000 workmen of the Mukden Arsenal, who have been rendered jobless as a result of the Japanese occupation of Mukden, have arrived in Shanghai and formed a Mukden Arsenal Refugees Association. In interviews with Chinese press, some of them stated that, in all, the Mukden Arsenal employed approximately 10,000 workers and that those who had come to Shanghai were mostly natives of Kiangsu and Chekiang; They had, they stated, appointed a number of delegates to appeal to the Central Government for financial assistances.

The ex-Emperor Pu Yi has left his Tientsin residence for Mukden to head the independence movement alleged to have been started by Japanese, says a message reaching the "Sinwampao" yesterday. The report states that the ex-Emperor, who has been living in the Japanese Concession of Tientsin since he was driven out of Peking by Marshal Feng Yu-hsiang some years ago, has not been seen for the past three days by his tutors and his mysterious disappearance is considered to be confirmation of the report that he has been forced by Japanese to leave for Mukden to head an Imperial coup d'etat.

LONDON CROSS-WORD PUZZLES

(By Arrangement with the Daily Telegraph)



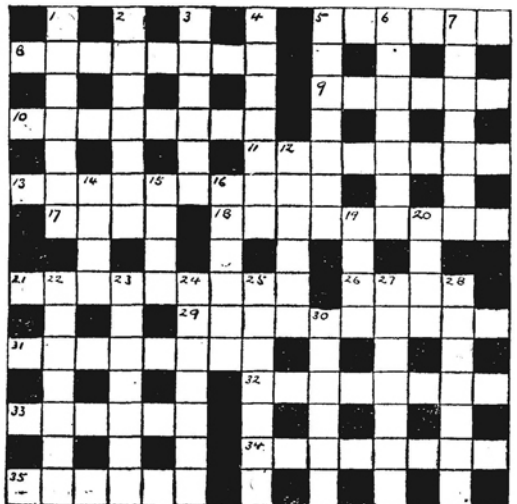
ACROSS

- 1 This may help in song
- 2 town are famed in song
- 3 Sounds noisy, but many games can't be played
- 4 Apparently it would be absurd to try to paint this make of car
- 5 A quality not obvious in Falstaff's ears
- 6 work of the cubist, for example
- 7 One of the U.S.A.
- 8 What cast-iron is mainly composed of
- 9 French novelist
- 10 Mean
- 11 The men of this

- 12 Ian of old with a fair head
- 13 One of the

DOWN

- 1 The wrong meaning is right here
- 2 One's last moments, perhaps, may look like the very devil
- 3 Often opposed to 12 across
- 4 Famous boxer
- 5 English town
- 6 This is a man and this man is a cricket
- 7 Summary
- 8 With following feeling whole, but the ideal helper when cut
- 9 in two
- 10 Poison
- 11 Upright
- 12 This you are more likely to enjoy at a winter tea
- 13 Artist's medium
- 14 Weapon at times, but a protection in the trenches
- 15 Part-coloured
- 16 Italian lake
- 17 "What dreams may come when we have shuffled off this mortal coil" ("Hamlet")



ACROSS

- 5 An ancient polity
- 8 A wonder worker who once might have found the stake hardly worth it
- 9 These are hunted
- 10 A dirt
- 11 Island that produces much cocoa
- 12 True of your opponents arguments, of course
- 17 Vegetable
- 18 Timely, with
- 19 musical finale
- 21 "Through the sweet briar or the vine, or the twisted" (Milton)
- 24 Turned face is put down
- 25 True of the solitary performer
- 31 A real expert on the scent
- 32 "Fence" is slang for this
- 33 Male name
- 34 A modest sum
- 35 Not so bad

- 1 nor backward in fuel
- 2 A weight that may help to keep you honest
- 3 He talks of play often when working
- 4 Rookery nook that occurs in rhyme
- 5 Condition
- 6 Land means more than possessions to this man
- 7 A guardian of home privacy, with doggy start
- 14 Eastern money
- 15 Scottish epithet
- 16 for an honest man
- 17 Related
- 18 There's a god in this chemical
- 19 A service down now no more
- 20 See 10 down
- 21 Weapon, with a feminine heart
- 22 Burden
- 23 An acrobatic
- 24 Recount
- 25 A fool started these trials
- 26 A form of protection
- 27 A coter can make this mathematical figure

DOWN

- 1 Becoming to the victor's brow

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES



THE BOOK PAGE

REVOLUTIONARY

THE SURRENDER OF AN EMPIRE.—By Nesta H. Webster. Boswell Printing & Publishing Co., Ltd., London, 15/-

Mrs. Webster is well known for her exhaustive and persistent examination of the activities of subversive movements, especially in relation to the British Empire. Her researches are exceedingly valuable and her work is remarkable for its documentation. She has, obviously, strong political views and they may by some people be considered as detracting from the value of the conclusions at which she arrives. This view is not altogether justified, although there must be necessarily a very critical examination of the general thesis which Mrs. Webster seeks to establish, namely, that the present conservative policy of seeking solutions by means of conciliation rather than by independent opposition cannot be logically maintained, if it is assumed that logic is a practical method of regulating human conduct. Mrs. Webster's concluding paragraph indicates the extremity of her views:

"If only all Conservatives, abandoning the attempt to compete with, or to conciliate, their Socialist opponents, will return to the path of sane social reform, the progenitors of such a much honour in the past, and will take their stand courageously on the cardinal doctrines of their own faith, they may yet save their country around their standard and save the Empire."

It may be suggested especially, at this present moment, that if her theory were accepted the National Government could never have come into existence.

Broadly speaking, the proper way to regard Mrs. Webster's book is to place it in the same category as the report of an Auditor-General of a big administration. Anyone who has studied a document of that special kind will admit that to the Auditor-General there is no gradation of offences against the canons of accountancy. In other words, the man who spends money under one particular head when it should have been spent under another head is as criminal as the man who deliberately conceals receipts in order to transfer those receipts into his own pocket. The discriminating searcher for crime, when tackling an Auditor-General's report, has always to keep a very tight grip on accepted principles of morality, because the Auditor-General entirely disregards morality and in its place substitutes what to the layman often seems arbitrary and pernickety rules of financial decorum. So with Mrs. Webster. She has hardly any mean between a women's club which tries to discuss daringly advanced theories of political science and a secret society which aims at creating chaos by the simple process of wholesale assassination. This is designedly put in the most exaggerated form in order to apply the necessary corrective to study of this very fascinating book. The early part of it deals with the pacifist movements in the Great War and shows how, in the author's opinion, the fruits of victory were snatched from the Allies by political intrigues and misguided sentimentality, and then proceeds to attack the League of Nations on the following lines:

"The League of Nations, backed by the League of Nations Union, in which, in spite of the Conservatives figuring on its Executive, Socialist influence largely prevails, has fallen a prey to the same disorders. Whether it has acted as an instrument for international peace is open to question. The League of Nations Union claims that the League has averted a dozen wars. How many of these wars would have been averted without its agency it is impossible to decide; we can all remember threats of wars that failed to materialise in the bad old days before the League existed. The League, at any rate, did not prevent the clash between Hungary and Roumania, between Poland and Lithuania, or between the Arabs and Jews in Palestine. Nor did it prevent the violation of the rights of peaceful populations, notably in the case of the subjugation of Georgia by the Bolsheviks, although Georgia already a Socialist Republic, was officially recognised by the League and appealed to it to support its right to independence. Again, as we shall see later, it was powerless to abolish barbarous methods of warfare.

"In the suppression of social evils the League claims to have accomplished a great deal, yet the international crook, the international drug vendor and the international whoresnapper still continue to ply their trades in spite of the expensive machinery set in motion for their detection.

"To question the utility of the League of Nations is to-day a temerity which no leading statesman would dare to commit. Like the Emperor's New Clothes" in Hans Andersen's story, it is necessary to praise it if one would prove oneself worthy of one's office. And the hosts of praise for it provide lucrative employment and free trips to the Continent naturally swell the chorus of applause. But the plain citizen who cannot afford these treats for himself or his family, and who is forced to contribute to the ever-growing budget of the League, begins like the child in the crowd who as the Emperor passed by cried out, "But he has nothing on!"—to question whether there is anything in the League after all."

From the League itself it is a short step to condemning M. Briand's scheme for the United States of Europe, which Mrs. Webster regards as inimical to the existence of the British Empire. Then there is an illuminating chapter on the origin of Bolshevism, in which the weakness of Mr. Lloyd George's handling of Russia is duly castigated to the satisfaction of the author but not to the conviction of the reader. British Bolsheviks come under review, and "the surrender to the Soviets" is the description given to the Labour Government's establishment of diplomatic relations with the Russian Government. Ireland is handled on much the same lines and so is India. Mr. Baldwin naturally comes in for a considerable amount of criticism and Mrs. Webster examines the summary of the Zinoviev letter and the Campbell case and is profoundly convinced of the value of the "Daily Mail" as a bulwark of British principles.

In passing it may be noted that an interesting reference is made to the part played by the League Against Imperialism, which is closely linked up with the Third International and the Indian situation. Mrs. Webster recalls that

"At a further Congress of the League which took place in Brussels from December 9 to 11, 1927, the name was again changed to the 'League against Imperialism.' This was the Congress attended by the two Nehrus after their visit to England. Other delegates from India were Clemens Dutt and Chattopadhyaya; England was represented by H. C. Crispin, R. O. Anderson, Ellen Wilkinson, Saklatvala, Fenner Brockway, S. O. Davies, and others, including James Maxton, who later became President of the League; France by Henri Barbusse, Herriot, André Berthoin and Victor Margueritte, etc.; Germany by Ernest Toller, Willi Munzenberg and (W.I.R.), Ledeborff, etc.; Japan by Sen Katayama, etc.; China by a group of eight which included Eugen Chen and Madame Sun Yat-sen.

"The report on India was made by the Pandit Motilal Nehru, and a resolution was passed protesting against a Parliamentary Commission on the state of the economy in India, against the support given by the workers to the Imperialist Government, and demanding the formation of an Indian Constituent Assembly."

She thus brings China into the picture and describes the incidents which led up to the declaration of 1927 with accuracy and, from her point of view, a most satisfactory diagnosis, and her attitude can be gauged from the conclusion of her chapter on China:

"These statements, for which the present writer takes no responsibility, seem worthy of consideration as the testimony of a man on the spot, in a country where China is concurring to a large extent with the conclusions of a profound student of Chinese affairs, and providing some explanation of the 'continuity of foreign policy' which has proved so fatal to British interests. The paralysis which has afflicted every Government in turn may in part be produced by a group of political 'Idealists,' in the main sincere, but not unresponsive to dangerous guidance. I find it difficult, however, to believe that such institutions as the Round Table Group, Chatham House, the League of Nations Union or even the Fabian Society—which has certainly succeeded in penetrating the Ministries and the whole civil Service—could, unless in alliance with financial power, exercise so decisive an influence on the councils of the nation and bend statesmen of every party to their will. More potent causes for the suicidal tendencies of the British Empire must be at work—the Hidden Hand operates under many disguises."

Surrender in Palestine and Egypt naturally follow these depressing ebullitions of a completely despairing mind. Mrs. Webster is, however, not a defeatist, although she is obviously a diehard. She has a healthy belief in the vigour of the British Empire and the vigour of the British nation to overcome the difficulties confronting them, and she is sufficiently optimistic to sug-

gest that although, obviously, the policy adopted has not had her approval for a very long time, she does not suggest that even now salvation cannot be attained. This is said in no spirit of sarcasm because the facts and the material which Mrs. Webster sets down are so valuable to anyone who desires to have complete knowledge of the course of international events.

She is, however, in a position of great difficulty, because she does not, it may be suggested, perceive the possibility that so much of the turmoil and disaster detected by her is really nothing more nor less than the symptoms of a period of colossal international upheaval. If all these wicked organisations had been suppressed and treated to the medicine which she would evidently have given them, it may still be doubted whether there would have been complete placidity. There are many people who think that the process of sitting on the safety valve is a very dangerous one, and that is, in effect, the alternative to the policies which Mrs. Webster so eloquently condemns. Moreover, in nearly all countries where she suggests that surrender has been the possible now to see that any definite conclusion can be drawn. Indeed, there is every ground for the conviction that in Ireland, Egypt, and India, for example, the adjustment of new ideals and new aspirations to the hard facts of the peculiar conditions existing in those countries is being smoothly achieved. It is possible, of course, to take quite the other view, but in the light of the upheavals prevalent over the whole globe to-day the other view would have to be much more substantially supported by proofs than can be provided by this book. Nor is it possible to accept Mrs. Webster's pessimistic view of the League of Nations. No one expects the League to accomplish miracles in a space of ten years. To some, the mere fact that it has maintained its existence and has achieved so much in the international field of labour, public health, and finance, would be a sufficient justification for the enthusiasm of its promoters. And if the considered opinion of even the critics of the League that its success in preventing one war has at least paid for its creation. And, as anyone knows, the League has done more than that.

In conclusion, the unusual step may be taken of registering a special tribute to the publishers of this book. It is a very excellent example of book production in its typography and in its binding and the selection of its paper. As a whole, it is nearly 400 pages in bulk, it is beautifully light and it is an exceptional credit to the printers.—E.H.

REMINISCENCES

A PASSPORT TO CHINA.—By Lucy Soothill. Hodder & Stoughton, London 21/-

There must be many people still in China who knew the late Mrs. Soothill well. She died early in the present year, but has left behind a book of reminiscences "A Passport to China," just published by Hodder & Stoughton which may be recommended to all alike, as one of the most charming books on China one can recall. "Brightness-upon-the-way" is the meaning of the obvious Chinese equivalent, "Lu Hsi," of her Christian name "Lucy," and the appropriateness of it is apparent in every page. Without her ever intruding herself or showing much of her emotions except where they were excited on behalf of other people, her book is an unconscious autobiography, a perfect reflection of what must have been a rare and beautiful character.

What strikes one first is her extraordinary courage. When she went out in 1884 to marry the present Professor of Chinese at Oxford, then a young missionary at Wenchow, an explosion of anti-foreign feeling due to the War with France, had destroyed all the foreign houses at Wenchow, except the Consulate, which was on an island in the river. Anti-foreign and especially anti-Christian feeling was very high and so remained for several years. It was implicitly believed that the missionaries murdered babies for the making of charms; and they were also accused of sending out converts to hide, among the crops, little images, which grew into huge demons to devour the harvests. Most unkindest cut of all, educated people, when passing Mrs. Soothill in the streets, would cover their noses and mouths to keep out the alleged odorous smell of the foreign. For days together Mrs. Soothill was left entirely alone while her husband was up country founding

branches of the Mission. But if she ever felt any tremours, she serenely kept them to herself.

Several times she was in great danger, once in particular when her journey to a Chinese wedding led her through a particularly anti-foreign village. Another time, when making a little holiday trip with her husband, she landed into a town lately briganded and hourly expecting another attack. But she seems to have been much more interested in observing what was going on than in her own danger.

Mrs. Soothill's sweet disposition and ready sympathies gained her the friendship of every Chinese she met. She was no sickly-sentimentalist. She saw their defects and does not mitigate their occasional dreadful cruelties. But she also saw and reproduces finely their many sterling qualities. She defends the old fashioned Mandarin's normal attitude to the foreigners, who came goodness knew whence, consorted mostly with coolies and presumed to teach him, a gentleman of letters. There is a great deal in it. But the more one considers the mandarins dispassionately, the more one sees their point of view.

A good deal of the book is written from a purely missionary standpoint, but for all alike Mrs. Soothill's account of the noble heroism of some of the converts will be interesting. These may well be paralleled in recent times by the many instances of missionaries who have owed their lives solely to the selfless devotion of native Christians.

In 1907 Mr. Soothill became President of Shansi University and his wife saw a good deal of the great world. She leaves us a wonderful vivid sketch of Sir Robert Hart, not unsympathetic, and certainly not unkind of his ability, but one wonders whether she quite approved of him. She became very intimate with Mrs. Lo, wife of the Manchu Governor of Shansi, and there is an amusing account of the first time she invited Mrs. Lo to dinner, and according to the then custom, the lady arrived with a retinue of 70 people. Later on in the Revolution of 1911, when Manchus were being hunted down everywhere, Mrs. Lo entrusted her entire fortune to Mrs. Soothill's keeping. One is glad to say that she lived to claim it. But the incident was typical of the regard that all Chinese had for Mrs. Soothill.

The book is well illustrated, and lightened with many amusing touches, particularly, perhaps, the story of her bread-making in the early days at Wenchow—rather like Robinson Crusoe's struggles to make himself a jug. In all vicissitudes Mrs. Soothill continued to

A NOTABLE NOVEL

BACKGROUND.—By Mark Severn. Ernest Benn, London, 7/6

This novel is so accurate in its portrayal of the pre-war and immediately post-war periods that it is almost photographic. There is not the slightest attempt to exploit the War horror fashion. It is a conscientious and yet vivid product of historical research allied to keen psychological insight. Mr. Severn has written a novel which deserves to live, and if it is read with as much pleasure and instruction by the next generation as it will be by the present it will certainly achieve its deserts. He has taken for his subject the story of an upper-middle class English family, placidly accepting its privileged position and its high responsibilities in the England of King Edward's time, and then drawn into the vortex of the War struggle and its subsequent social upheavals, with the inevitability of human tragedy. But yet his English folk come out of it without melodrama and with their fundamental virtues their prejudices, perhaps they shed some of their illusions. Mr. Severn will possibly agree that he owes a good deal to Galsworthy, although he is so modest a writer that he would disclaim any attempt to rival the creator of the Forsyths. For all that, he establishes for himself with this second volume a niche of his own, and his avoidance of the irritating exaggerations of the modern school does not prevent him from making use of the better methods of that school. If this book, in these days of stunt boosting, does not immediately create ecstatic spasms in the book-selling world, it may at least be expected to meet with far more meritorious appreciation and perhaps become what in the theatrical world is known as "a silent success."—E.H.

BOOKS RECEIVED

WALKING SHADOWS. E. W. White. Hogarth Press.
THE TRAVELS OF MARCO POLO. Translated by A. Ricci. Routledge.
MIRACULOUS HEALING. H. W. Frost. R. Smith, Inc.
THE SONG OF THE LORD. Translated by E. J. Thomas, Murray.
MAHATMA GANDHI AT WORK. Edited by C. F. Andrews, Allen & Unwin.
DONALD ROSS. R. L. Negroz. Allen & Unwin.
POVERTY IN PLENTY. J. A. Hobson. Allen & Unwin.
FICTION
GODS OF WEALTH AND WAR. J. L. Stewart. F. H. Revell Co.

deserve her Chinese name, and on both personal and public grounds one is grateful for this rare book.—O.M.G.

THE LEAGUE COMMITTEES & WORLD ORDER

A study of the Permanent Expert Committees of the League of Nations as an instrument of International Government.
By H.R.G. Greaves, of the Political Science Department
London School of Economics and Political Science. 14s.

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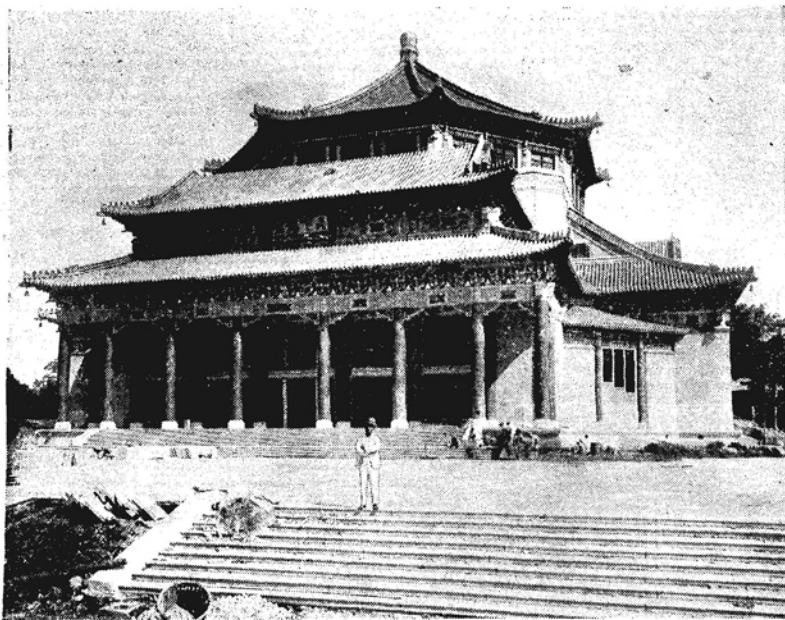
SCENE OF BOMBING INCIDENT

An ancient ruined gateway in the city of Chinchow, on the Peking-Mukden Railway, which was the scene of the Japanese bombing incident on Thursday. Chinchow is the temporary seat of the Manchurian Government.



SIGNOR MUSSOLINI'S GRANDSON

Count Ciano di Cortellazzo, the Italian Consul-General at Shanghai, and the son presented to him by Countess di Cortellazzo, who is a daughter of Il Duce.



SUN YAT-SEN MEMORIAL AUDITORIUM

Dedicated to the memory of the founder of the Chinese Republic, this magnificent structure, which has just been completed, was formally opened on October 10 in Canton, the home of the revolutionary movement. It will be the largest auditorium in the Far East and will be capable of seating 5,000 persons. The designer was the late Mr. Y. C. Lu, of Messrs. Y. C. Lu & Poy G. Lee, Architects, Shanghai.



Central Press Photos.

MR. GANDHI'S LONDON SMILE AND CLOTHES

The question as to how Mr. Gandhi would dress when in London appears to be answered by the above photographs. That on the left shows him industriously spinning in his cabin when making the cross-Channel voyage, and the other depicts him in cheerful mood when leaving St. James's Palace, accompanied by Sir P. Pattani and Mrs. Naidu.



International Newsreel Photo.

DEADLY WITH THE BIRDS

Steve Grothers, a veteran shot, won the title of "Champion of Champions" at the national trapshooting tournament held at Vandalia, Ohio. Grothers scored a perfect record with 200 targets, not missing one.

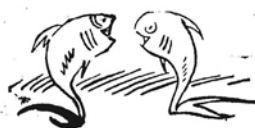
THE WOMAN'S PAGE

OVER THE TEA CUP

The Latest from Paris: Clothes, Clothes, Clothes:
An Important Arrival

With the Autumn Race meeting looming in a not-too-dim distance With the advent of those neat little printed cards requesting "the pleasure of your company," and the prospect of dinners, balls, and cocktail parties. With the thought of all these and many other things gradually taking shape on the feminine horizon, our minds must inevitably turn to one subject—clothes.

Of what use is an invitation to a large and important dinner party, if one's wardrobe is haunted with the ghosts of last year's dresses? What delight is there in accepting Mrs. Highbrow's printed request to attend one of her exclusive cocktail parties if one's hat has no rakish



Fish tails trailing behind them

tilt, can boast no feathers; in fact, has no resemblance whatever to the bowlers that will most assuredly be worn by every other woman in the room? And think—if you can bear to—of arriving in the midst of a dozen blushing debutantes at the Caledonian Ball, with 1930 written unmistakably all over your evening gown.

"I've nothing to wear," is the universal moan. "You've nothing to wear," echo the dress-makers. "We'll give you something to wear," they whisper alluringly. "Our models are the latest from Paris. Come in and try a few on." Its an old, old story, and you know the ending. The dress-maker wins the day and in due time you receive one of those magic cardboard boxes containing the creation that suits your individual taste. Perpetually hoping the while that some other woman's individual taste hasn't hit upon the same colour and style that you imagined to be your own exclusive choice.

The Ever-Fascinating Subject

It is not always good to believe everything that you are told. Dress-makers especially (being essentially feminine themselves) cannot always be relied upon to say the truth, and nothing but the truth. "The latest from Paris" is a phrase which is glibly used to describe all manner of creations. Some of them perhaps had their beginnings in the mind of a certain Mr. Hong Chang: Ladies' Tailor. The combination of the newest l'ague and a few yards of Chinese silk, and the result, to the untutored eye—is not unlike "the latest from Paris."

However, fortunately there are exceptions. Anyone who happened to attend a parade of models given by Mme. E. Garnett at her house



Recent arrival in Shanghai

last Friday, will understand what I mean when I say that there are exceptional exceptions. The models—worn by specially chosen mannequins—literally breathed the word Paris.

Several pairs of very ornate pyjamas, served as *hors d'oeuvres* to whet the appetite for the delights that were to come. No more flared trousers, ladies! (and gentlemen, for that matter). They must be very full but caught tightly at the ankle into a narrow band. The effect is Turkish, yet at the same time slightly Russian, and the pyjamas are carried out in brightly contrasting velvets—trousers and all.

Next on the menu came sports dresses. Chic, close-fitting, and sombre, with little touches of brilliant scarlet or green at the throat. *Schiaparelli* seems to specialise in sports clothes, and the result is

enough to make one's mouth water. Particular characteristics were the high necks with ties of bright coloured silk, splashed with irregular patterns which were tucked through a slit in the collar. Wide shiny leather belts were also to be seen on nearly every model. A new material is transparent wool—fascinating stuff! But I will not describe them further. If you want a "*Schiaparelli*" or a "*Lelong*" creation, you know where to find it; just take my word that it will be worth the trouble even if you do find the price running into three rather large figures—infinitely larger than your own.

A word about coats before we go into uncontrolled raptures over the evening gowns. Your dark brown or navy of last year must be replaced by bright green, yellow, or red. Furs, of course, go on for ever. The yellow should have a large collar and cunningly designed cuffs of brown fur. Green and red look well with black fox or shunk. Waist-lines have gone the way of all flesh. Your coat must show no join at the waist but must be close fitting with a flared skirt wrapping well over in front. If you happen to be in need of a coat, ask to see a *Lanvin* model named "Astade," and another called very appropriately "La Jungle." A *Jenny* creation called "Poussin," and another by *Schiaparelli* with a multi-coloured striped frock to go with it, are also worth seeing. If you don't fall for one of them you are no daughter of Eve.

Velvet and Ermine

We haven't left ourselves much time and still less space, but the evening gowns insist upon a paragraph or two. The matter is



To the Best Looking Jockey

therefore out of our hands. The evening gowns do not show any startling changes from last year. A new note is the fish-tail shaped train, which trails along the floor behind most of the models. It has a slimming and graceful effect; but whether that effect would remain the same in a crowded Shanghai ball-room with a number of large male feet about the place, is a matter for grave doubts. Mme. Garnett herself specialises in evening gowns and coats, and with the exception of one ravishing affair by *Molyneux* (pale orchid tulle, with a short circular coat of tulle striped with lines of the same velvet), her own creations were amongst the most attractive. There was a fascinating gown in pale pink velvet, with a kimono effect, edged with brown fur. Another chic little coat was carried out in black and white velvet. . . black, with very full sleeves caught at the wrist in white velvet. A sigh of envious longing greeted a long cloak made entirely of ermine, with a whole silver fox at the neck. This was worn with a plain black velvet gown.

But I must stop. Time and space are stern censors, and already they have both been taxed beyond endurance. We must get on to other and more important subjects.

Hoard the Great News?

The first and most important subject is the recent arrival in Shanghai of a distinguished young gentleman named Fabrizio Ciano di Cortellazzo. An exclusive interview a few days after his arrival revealed the facts that he is blonde, has blue eyes, and most important of all, shows a distinct resemblance to his proud grandfather. His parents are even prouder still, for they are now in possession of precious being. . . their own son, and the grandson of Signor Mussolini. The young gentleman has very kindly permitted his photograph to

ABOUT BOOKS

A Shanghai Woman Surveys Outstanding Literature
of the Year

What Jane Taylor wrote poetically a century ago about Thinking is rather relevant to Reading as well,—

"Though man a thinking being is defined,
Few use the grand prerogative of mind.
How few think justly; of the thinking few,
How many never think, who think they do."

If we paraphrase the last two lines of Jane Taylor's verse, the parallel becomes apparent,—

"How few read much; and of the reading few,
How many never discriminate, who think they do!"

Mr. Henry Arnold, writing to "The Times" some little time ago, raised the question, "Is conversation a lost art?" And replying to his own rhetorical question, he said, "Much of the talk one hears to-day is sheer twaddle. It tells you nothing, and leaves you with the feeling that it has been largely a waste of time." It was another correspondent to "The Times" who suggested what might well be taken to heart by all thinking women in Shanghai (The men would be included had we any idea that this page would catch their eye!). "Conversation is bad because people have no time for reading. Fashionable talk concentrates on such trivialities as bridge, golf or motor cars with endless and tedious repetitions. This is true as regards the run of ordinary dinner conversation." For Shanghai, it would be necessary (without omitting any of the above) to include the discussion of servants, children and clothes,—what a friend of mine used to call "The Three D's"—dress, domestics and descendants.

Life has become too rapid and too much on the surface for anything but disjointed snatches of talk, enlivened occasionally by a brilliant sally or scintillating bit of repartee, but lacking in seriousness and depth of sincerity. Breakfasts and dinners used in olden times to be especially arranged to give scope to conversational ability. It is superfluous to point out that tiffins and dinners in Shanghai are given for quite other reasons. As for going to hear an "Autocrat of the Breakfast Table," no one would be up in time!

But to get on about books! Spending a summer in Shanghai is an admirable way to find time for more reading. No summer resort that I have ever visited in China—and I have tried most of them—can compare for quietness and leisure with Shanghai after summer sets in. Social demands are nil. Committees and clubs cease functioning, and—mirabile dictu—one's time is one's own! I have been amazed in greeting friends this early fall with the conventional query, "Where did you spend the summer?" to discover how many, like myself, have been hibernating (or its summer equivalent) right here. One can if one wishes enjoy *rus in urbe*,—complete seclusion—and blessed leisure during a summer in Shanghai. Having found more time than usual for good books myself, I began casually asking my friends what they had found stimulating or profitable or even interesting during the summer. One

be taken. We hope very shortly to show you his picture, and then you will see for yourself that all I have said is true.

The Races

Now for a hurried few words about last Saturday's Race meeting, just to show that we are *au courant* with events in Shanghai. The rain, needless to say, did not deter any enthusiastic race-goers, and there was a good sprinkling of bowler hats in spite of the weather. In the "good old times" race meetings (so we are told) were a sort of fashion parade. Nowadays everybody is so busy betting, that clothes are of very secondary importance. It would be interesting to digress for a while on the psychology of betting, but (fortunately perhaps for you) there's no time. Suffice to remark that the pushing and jostling in the Pari-Mutuels shows how terribly eager most people seem to be to lose their money. As far as the weaker sex is concerned, one is led to suspect that the betting is largely influenced by the various degrees of manly beauty displayed by the riders. After all, if one is going to lose five dollars, why not dedicate it to the best looking jockey?

friend, who maintains that the only aristocracy worthy the name is that of the intellect, frankly confessed to having been a proletarian this summer. "I have read nothing," she said and then, after a moment's pause, "except 'Good Earth'!" Well, that's something. Had I been forced to confine my reading to one book this summer, I think that might have been my choice. But more of "Good Earth" anon! A prominent British club-woman said, "I found that, what with swimming and sailing and picnics and constant visitors, the Shanghai papers, the 'London Times' and the 'Overseas Daily Mail' with some monthly papers were all I could get in!" That's why I intimated a moment ago that a summer resort is no place to go for leisure. So when I balance my account for and against spending a summer in Shanghai, I shall add to its credit, along with electric fans, frigidaire, frozen salads, and park concerts,—leisure for good books.

Perhaps no one woman in Shanghai is in a more advantageous position to get hold of the new books and read them herself than is Mrs. J. S. Whitney, librarian of the British Women's Association. She has read some thirty recent books during the summer, all of which she recommends to others, and most of which she has added to the B.W.A. Library. She is in a position to know what is being most read (by British women at least) this season and what is continuing to be popular from last. Before sharing with you some of her pertinent comments on books she has found stimulating or appetising reading, may I give you a brief list of biographical and travel books which Mrs. Whitney tells me are available in an excellent \$5 Mex. edition:

"Queen Victoria" Lytton Strachey
"Henry VIII" Francis Hackett
"The Life of Pasteur" Valery Radot
"Raiders of the Deep" Lowell Thomas
"Up the Years from Blombury" George Arliss
"The Royal Road to Romance" Halliburton
"A Beachcomber in the Orient" Foster

Mrs. Whitney naturally has been interested in outstanding books by women writers. Among these we would expect her to mention first Mrs. Pearl Buck's "Good Earth" which she feels as do others of us deserves the success it is having as an American Book-of-the-Month. She found "East Wind, West Wind" by the same author of much the same quality, but less convincing. "The Day of Small Things" by C. Douglas, full of humour and sympathy, and "Miss Mole" by E. H. Young, an excellent character study, were two others by women writers which she mentioned. "The Fortunes of Richard Mahoney" is by a woman who uses the pseudonym of Henry Handel Richardson. More of us have probably read her "Ultima Thule" or her first novel, "Maurice Guest," which so slowly came into its own. For two decades Henry Handel Richardson has been admired by other authors, but almost unknown to the general public. "Ultima Thule," as you know if you have read it, delineates the fortunes of this same Richard Mahoney as they go from bad to worse, and finally end in tragic disaster. In this latter book, which I read this summer, the author achieved a recognition, and an instantaneous success on two continents which must have compensated in large measure for its long delay.

Continuing in the field of fiction, Mrs. Whitney recommends "Imperial Palace" as one of the late Arnold Bennett's greatest achievements. The Imperial Palace Hotel is a world in miniature with all a world's comedy, tragedy and romance, and the characters who pass across its stage are many and varied,—from Evelyn Ascham, the manager and "Big Business" man, to Gracie, the millionaire's daughter. "Angel Pavements" by J. B. Priestley is not generally conceded to be as good as his "Good Companions," but Mrs. Whitney feels his character delineation is as good and justifies comparing him to Dickens in his sympathetic treatment of the lives of London office workers. Others feel his subject matter is too drab. "Good Companion" is still being read with avidity in Shanghai.

An outstanding biography is Andre Maurois's "Disraeli," a vivid picture of the Victorian Age with "Dizzy" well to the fore,—the man

whose flamboyant personality, Mrs. Whitney avers, always made its greatest appeal to women. George Arliss has so renewed our interest in England's greatest Jew that many of us will now want to read Maurois's biography of the man.

The unexpurgated diary (not of a Shanghai baby) but of a "Daily Mail" man who was in close touch with Lord Northcliffe during the most important and interesting part of his career comes to us at this time under the caption, "My Northcliffe Diary." "Bengal Lancer" by Yeats-Brown, characterised by exceptionally vivid narrative, is the most unusual account of certain phases of a British cavalry officer's life, which makes a number of excursions off into Hindu mysticism.

Then for travel books, our librarian friend recommends a group by H. V. Norton,—"*In Search of England*," with similar treasure hunts for Scotland and Ireland, and "The Call of England"—as delightfully unconventional travel books with charming anecdotes of delectable spots well off the tourist track. It was the same author who recently published three books of sketches entitled, "The Spell of London," "Nights of London," and "The Heart of London."

I know of no more insatiable reader among all my friends than Mrs. R. R. Service of the American Women's Club, who, when last I inquired in August, was on her one hundred and third book since this calendar year began. I suppose it's a hundred and twenty-five at least by now, and very little light reading in the list either. She it was who used to take something like Macaulay's "History of England" to read during ten-day overland trips by sedan chair between Chungking and Chengtu. It will take another page and another day to share with you her terse comments on books worthwhile which she has discovered this summer. But starting with her single commentary on "Good Earth," I will conclude with the word promised anon regarding this epic of the year. Mrs. Service said, "I read few novels, as you know, but of course this spring there was 'The Good Earth.' We shall prize it more the longer we know it, and the more we think into these people amongst whom we live!"

It was Cato who centuries ago said, "He who tills the ground does not think of doing evil." It is a significant statement and one that explains, more than the teaching of Confucius perhaps, the high morality of the Chinese race. It was not until Wang Lung left off tilling the good earth that he fell upon evil ways, and lost his sense of oneness and harmony with Nature. It is because "The Good Earth" is to China what "Growth of the Soil" has been to Norway that I think of it as the epic of the year. And when we consider how human the narrative and how universal the forces that work so relentlessly, it transcends the country it interprets and becomes cosmic in its scope.

GLASS "FEATHERS" AND
STRAW BEADS

Interesting accessories for the new hats are making their appearance in the shops, tiny "quills" made of crystal and glass being shown for trimming tricornes and bicorne, with curled "feathers" of glass for those who do not care to trim their hats with real feathers. Quills of bone and coloured composition for wearing in the Dick Turpin hats have the "feathers" outlined in gold on a coloured surface.

For sports hats there are quaint half circles of wood, hand-painted in various colours, with which to keep in place a sharply rolled-back brim. Another attractive accessory for this purpose consists of double-headed pins covered with tiny loops of orange cream, and brown straw, with a choker necklace of straw beads to match. These are carried out in any combination of colours to match the tweeds or woollens with which they are worn.

Steel wire necklaces for sports wear, resembling heavy chains, are a novelty of the moment. The wire is looped round a plain piece of fine steel, and the whole looped over huge green, brown, or black beads. Although these look extremely heavy and cumbersome, actually they are very light.

Kitchen Hints

If the mixing-bowl is heated, with scalding water, butter will cream in half the time taken when beaten in a cold bowl.

Brown sugar will not form into lumps if it is put in an open jar in a cool part of the pantry.

